SECOND SUPPLEMENT DATED OCTOBER 7, 2025

TO PRELIMINARY LIMITED OFFERING MEMORANDUM DATED AUGUST 29, 2025
(AS PREVIOUSLY SUPPLEMENTED ON SEPTEMBER 12, 2025)

related to

$61,125,000*
Capital Trust Authority
Senior Living Facilities
Senior Lien Revenue Bonds, Series 2025A
(Alpha Lifestyle Partners, Inc. Project)

The purpose of this Second Supplement is to supplement certain information contained in the Preliminary Limited Offering Memorandum dated August 29, 2025 (as previously supplemented on September 12, 2025, the "Preliminary Limited Offering Memorandum" or the "PLOM") for the above-referenced bonds. This Second Supplement should be read in conjunction with the Preliminary Limited Offering Memorandum. Terms used in this Second Supplement have the same meaning as in the Preliminary Limited Offering Memorandum, unless specifically otherwise defined herein.

The forms of the Bond Indenture, Loan Agreement and Master Indenture attached as Appendices C-1, C-2 and C-3 of the original PLOM have been updated to reflect the changes described in this Second Supplement Attached as Appendices A, B and C to this Second Supplement are redlined versions of the Bond Indenture, Loan Agreement and Master Indenture marked to show revisions to the prior forms included in the PLOM. References in the PLOM and this Second Supplement to such documents shall be to be updated forms attached to this Second Supplement.

1. **Restructured Lien Priority and Creation of Third Lien Obligation**. The Master Indenture has been revised to provide for the issuance of Senior Lien Obligations, Junior Lien Obligations and Third Lien Obligations and the Bond Indenture has been revised to provide for three series of Bonds by splitting the Series 2025A Bonds described in the PLOM into two series of bonds (consisting of Series 2025A Bonds (Senior Lien) and a Series 2025B Bonds (Junior Lien) and references to the Series 2025B Bonds in the PLOM are now references the Series 2025C Bonds (Third Lien). The Series 2025A Bonds, the Series 2025B Bonds and the Series 2025C Bonds are collectively referred to as the "**Bonds**." The proposed principal amount and lien status of the bonds are set forth below:

$48,135,000*	**$8,905,000***	**$7,900,000***
Capital Trust Authority	**Capital Trust Authority**	**Capital Trust Authority**
Senior Living Facilities	**Senior Living Facilities**	**Senior Living Facilities**
Senior Lien Revenue Bonds,	**Junior Lien Revenue Bonds,**	**Third Lien Revenue Bonds,**
Series 2025A	**Series 2025B**	**Series 2025C**
(Alpha Lifestyle Partners, Inc. Project)	**(Alpha Lifestyle Partners, Inc. Project)**	**(Alpha Lifestyle Partners, Inc. Project)**

The Series 2025A Bonds and the Series 2025B Bonds (as described above) will be offered pursuant to the PLOM and the final Limited Offering Memorandum and the Series 2025C Bonds are <u>not</u> being offered pursuant to the PLOM or the Final Limited Offering Memorandum. References to the Series 2025B Bonds in the PLOM shall be deemed to be Series 2025C Bonds following the restructuring of the Bonds described in this Second Supplement.

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* Preliminary; subject to change.

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2. **Replacement Maturity Schedule**.

The maturity schedule for the Series 2025A Bonds and the Series 2025B Bonds are set forth below:

$48,135,000*
Senior Lien Series 2025A Bonds

Dated: Date of Delivery **Due: January 1, as shown below**

Term Bonds*

$5,675,000* ____% Term Bonds due January 1, 2040*, Yield: ____%, CUSIP Number: _____

$7,805,000* ____% Term Bonds due January 1, 2047*, Yield: ____%, CUSIP Number: _____

$34,655,000* ____% Term Bonds due January 1, 2061*, Yield: ____%, CUSIP Number: _____

$8,905,000*
Junior Lien Series 2025B Bonds

Dated: Date of Delivery **Due: January 1, as shown below**

Term Bonds*

$8,905,000* ____% Term Bonds due January 1, 2061*, Yield: ____%, CUSIP Number: _____

The Series 2025C Bonds will mature on January 1, 2061*.

3. **Tax-Exempt Bonds**. The definition of Tax-Exempt Bonds, as contained in the form of the Bond Indenture, and used in the PLOM will include the Series 2025A Bonds, the Series 2025B Bonds and the Series 2025C Bonds.

4. **Notice to Investors and Transfer Restrictions; Investor Letter**. The information contained in the preliminary pages of the PLOM under the caption "**NOTICE TO INVESTORS IN THE SERIES 2025A BONDS**" and under the caption "**THE BONDS – Transfer Restrictions**" on page 17 of the PLOM shall also apply to the Series 2025B Bonds. In addition, the Investor Letter attached as Appendix G to the PLOM shall be required for the purchase of the Series 2025B Bonds.

5. **Obligations Securing the Series 2025 Bonds**. For all purposes of the PLOM (and as referenced above), the Master Indenture has been updated to allow for the issuance of Obligations of three different lien priorities – Senior Lien Obligations, Junior Lien Obligations and Third Lien Obligations. The Series 2025A Bonds will be secured with a Senior Lien Obligation, the Series 2025B Bonds will be secured with a Junior Lien Obligation and the Series 2025C bonds will be secured with a Third Lien Obligation.

The section description of the Obligations contained under the heading "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Master Indenture** – Obligations" on page 27 of the PLOM is replaced with the following:

Obligations

The following Obligations are being issued in connection with the issuance of the Bonds pursuant to the Master Indenture:

Obligation No. 1 (Senior Lien Obligation). To secure the payment of the Loan Repayments required to be made under the Loan Agreement with respect to the Series 2025A Bonds, the Obligated Group will issue Obligation No. 1 as a Senior Lien Obligation under the Master Indenture. Obligation No. 1 will be the only Senior Lien Obligation Outstanding under the Master Indenture at the time the Bonds are issued; however, Obligation No. 1 will stand on a parity under the Master Indenture with all Senior Lien Obligations hereafter issued and Outstanding under the terms of the Master Indenture.

* Preliminary; subject to change.

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Obligation No. 2 (Junior Lien Obligation). To secure the payment of the Loan Repayments required to be made under the Loan Agreement with respect to the Series 2025B Bonds, the Obligated Group will issue Obligation No. 2 as a Junior Lien Obligation under the Master Indenture. Obligation No. 2 will be the only Junior Lien Obligation Outstanding under the Master Indenture at the time the Bonds are issued; however, Obligation No. 2 will stand on a parity under the Master Indenture with all Junior Lien Obligations hereafter issued and Outstanding under the terms of the Master Indenture, and is payable on a subordinate basis to any Senior Lien Obligations now or hereafter issued and Outstanding under the terms of the Master Indenture.

Obligation No. 3 (Third Lien Obligation). To secure the payment of the Loan Repayments required to be made under the Loan Agreement with respect to the Series 2025C Bonds, the Obligated Group will issue Obligation No. 3 as a Third Lien Obligation under the Master Indenture. Obligation No. 3 will be the only Third Lien Obligation Outstanding under the Master Indenture at the time the Bonds are issued; however, Obligation No. 3 will stand on a parity under the Master Indenture with all Third Lien Obligations hereafter issued and Outstanding under the terms of the Master Indenture, and is payable on a subordinate basis to any Senior Lien Obligations and Junior Lien Obligations now or hereafter issued and Outstanding under the terms of the Master Indenture.

Following the issuance of the Bonds and the delivery of the Obligations in connection therewith, the following Obligations will be Outstanding under the terms of the Master Indenture:

Obligations	Principal Outstanding*
Obligation No. 1 (Senior Lien)	$ 48,135,000
Obligation No. 2 (Junior Lien)	8,905,000
Obligation No. 3 (Third Lien)	7,900,000
Total	$ 64,940,000

* Preliminary; subject to change.

The above-referenced obligations and any additional Outstanding Obligations issued by the Obligated Group under the Master Indenture (whether or not pledged under the Bond Indenture) are collectively referred to as the "**Obligations**."

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6. Estimated Sources and Uses of Funds. The following tables replaces the estimated source and uses of funds table set forth on page 14 of the PLOM:

The following table summarizes the estimated sources and uses of funds* in connection with the issuance of the Bonds:

	Series 2025A Bonds*	Series 2025B Bonds*	Series 2025C Bonds*, (1)	Total*
Sources of Funds:*				
Principal amount of Bonds	$ 48,135,000	$ 8,905,000	$ 7,900,000	$ 64,940,000
Cash Contribution	1,406,073	0	0	1,406,073
Plus/Less: [Net] Original Issue [Premium][Discount]	(1,228,662)	0	0	(1,228,662)
Total Sources of Funds	$ 48,312,411	$ 8,905,000	$ 7,900,000	$ 65,117,411
Uses of Funds:*				
Deposit to the Acquisition Account of the Project Fund(2)	$ 39,785,897	$ 7,714,103	$ –	$ 47,500,000
Issuance of Series 2025C Bonds for the balance of the acquisition price	–	–	7,900,000	7,900,000
Deposit to the Debt Service Reserve Fund(3)	3,677,625	880,550	–	4,558,175
Deposit to the Operating Reserve Fund and Operating Accounts(4)	1,530,000	–	–	1,530,000
Deposit to the Capitalized Interest Account of the Project Fund(5)	667,519	109,086	–	776,605
Costs of Issuance(6)	2,651,370	201,261	–	2,852,631
Total Uses of Funds	$ 48,312,411	$ 8,905,000	$ 7,900,000	$ 65,117,411

* Preliminary; subject to change.

(1) As described herein, the Series 2025C Bonds are not being offered pursuant to this Limited Offering Memorandum. The sources and uses of funds related to the issuance of the Series 2025C Bonds are included in this table to provide a full description of the sources and uses of funds related to the issuance of the Bonds.

(2) Amount deposited in the Acquisition Account of the Project Fund will be disbursed at closing and used to pay the cash portion of the acquisition price for the Communities as described under the caption "**OBLIGATED GROUP – Acquisition of Communities**" in **Appendix A-1** to this Limited Offering Memorandum.

(3) Amount deposited in the Senior Lien Debt Service Reserve Fund is equal to the Senior Lien Debt Service Reserve Fund Requirement and the amount deposited in the Junior Lien Debt Service Reserve Fund is equal to the Junior Lien Debt Service Reserve Fund Requirement.

(4) Amount deposited in the Operating Accounts of each Community and the Operating Reserve Fund. Funds deposited into the Operating Reserve Fund will be transferred to the Master Trustee and held in the Operating Reserve Fund established by the Master Indenture.

(5) Amount deposited in the Capitalized Interest Accounts of the Project Fund will be used to pay a portion of the interest on the Series 2025A Bonds ($421,999 on January 1, 2026, $155,691 on July 1, 2026, $81,840 on July 1, 2027 and $7,989 on July 1, 2028) and the Series 2025B Bonds ($109,086 on January 1, 2026); preliminary; subject to change.

(6) Includes underwriter's discount (see the caption "**UNDERWRITING**" in this Limited Offering Memorandum) and other costs of issuance related to the Bonds.

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7. Debt Service Requirements for the Series 2025A Bonds and the Series 2025B Bonds. The following replaces the debt service requirements table set forth on page 15 of the PLOM:

Bond Year Ending January 1	Series 2025A Bonds		Series 2025B Bonds		Total
	Principal*	Interest*, (1)	Principal*	Interest*, (1)	Debt Service*
2026					$ 0
2027		$ 2,944,709		$ 801,450	3,746,159
2028		3,018,560		801,450	3,820,010
2029		3,092,410		801,450	3,893,861
2030	$ 70,000	3,100,400		801,450	3,971,850
2031	155,000	3,096,200		801,450	4,052,650
2032	245,000	3,086,900		801,450	4,133,350
2033	340,000	3,072,200		801,450	4,213,650
2034	445,000	3,051,800	$ 35,000	801,450	4,333,250
2035	560,000	3,025,100	60,000	798,300	4,443,400
2036	685,000	2,991,500	85,000	792,900	4,554,400
2037	725,000	2,950,400	95,000	785,250	4,555,650
2038	770,000	2,906,900	100,000	776,700	4,553,600
2039	815,000	2,860,700	110,000	767,700	4,553,400
2040	865,000	2,811,800	120,000	757,800	4,554,600
2041	915,000	2,759,900	130,000	747,000	4,551,900
2042	975,000	2,700,425	145,000	735,300	4,555,725
2043	1,040,000	2,637,050	155,000	722,250	4,554,300
2044	1,105,000	2,569,450	170,000	708,300	4,552,750
2045	1,180,000	2,497,625	185,000	693,000	4,555,625
2046	1,255,000	2,420,925	200,000	676,350	4,552,275
2047	1,335,000	2,339,350	220,000	658,350	4,552,700
2048	1,425,000	2,252,575	235,000	638,550	4,551,125
2049	1,515,000	2,159,950	260,000	617,400	4,552,350
2050	1,615,000	2,061,475	285,000	594,000	4,555,475
2051	1,720,000	1,956,500	310,000	568,350	4,554,850
2052	1,830,000	1,844,700	340,000	540,450	4,555,150
2053	1,950,000	1,725,750	370,000	509,850	4,555,600
2054	2,075,000	1,599,000	400,000	476,550	4,550,550
2055	2,210,000	1,464,125	440,000	440,550	4,554,675
2056	2,355,000	1,320,475	475,000	400,950	4,551,425
2057	2,510,000	1,167,400	520,000	358,200	4,555,600
2058	2,670,000	1,004,250	565,000	311,400	4,550,650
2059	2,845,000	830,700	615,000	260,550	4,551,250
2060	3,030,000	645,775	670,000	205,200	4,550,975
2061	6,905,000	448,825	1,610,000	144,900	9,108,725
Total	$ 48,135,000	$ 80,415,805	$ 8,905,000	$ 22,097,700	$ 159,553,505

* Preliminary; subject to change. Totals may not foot due to rounding.

(1) Interest is net of capitalized interest to be applied as follows: Series 2025A Bonds ($421,999 on January 1, 2026, $155,691 on July 1, 2026, $81,840 on July 1, 2027 and $7,989 on July 1, 2028) and the Series 2025B Bonds ($109,086 on January 1, 2026). Preliminary; subject to change.

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8. Projected Debt Service Coverage. The following projected debt service coverage table is inserted following the debt service requirements table and before the projected redemption schedule in the PLOM:

	A	B	C	D	E (C-D)	F	G (E/A)	H ((E+F)/A)	I ((E+F)/(A+B))
							Senior Lien Series 2025A		2025B
Year Ending Jan. 1	Senior Lien Series 2025A Debt Service[1]	Junior Lien Series 2025B Debt Service[1]	Gross Revenues[2]	Operating Expenses[2]	Income Available for Debt Service [2]	Subordinate Asset Manager and Not-for-Profit Fees [3]	DSCR (After Subordinate Fees are Paid)	DSCR (Before Subordinate Fees are Paid)	DSCR (Before Subordinate Fees are Paid)
2027	2,944,709	801,450	14,471,000	10,059,000	4,412,000	156,000	1.50x	1.55x	1.22x
2028	3,018,560	801,450	14,843,000	10,310,000	4,533,000	161,000	1.50x	1.56x	1.23x
2029	3,092,411	801,450	15,212,000	10,567,000	4,645,000	167,000	1.50x	1.56x	1.24x
2030	3,170,400	801,450	15,593,000	10,831,000	4,762,000	172,000	1.50x	1.56x	1.24x
2031	3,251,200	801,450	15,982,825	11,101,775	4,881,050	176,300	1.50x	1.56x	1.25x
2032	3,331,900	801,450	16,382,396	11,329,361	5,053,034	179,914	1.52x	1.57x	1.27x
2033	3,412,200	801,450	16,791,956	11,561,613	5,230,342	183,602	1.53x	1.59x	1.28x
2034	3,496,800	836,450	17,211,754	11,798,626	5,413,128	187,366	1.55x	1.60x	1.29x
2035	3,585,100	858,300	17,642,048	12,040,498	5,601,550	191,207	1.56x	1.62x	1.30x
2036	3,676,500	877,900	18,083,099	12,287,328	5,795,771	195,127	1.58x	1.63x	1.32x
2037	3,675,400	880,250	18,535,177	12,539,219	5,995,958	199,127	1.63x	1.69x	1.36x
2038	3,676,900	876,700	18,998,556	12,796,273	6,202,284	203,209	1.69x	1.74x	1.41x
2039	3,675,700	877,700	19,473,520	13,058,596	6,414,924	207,375	1.75x	1.80x	1.45x
2040	3,676,800	877,800	19,960,358	13,326,297	6,634,061	211,626	1.80x	1.86x	1.50x
2041	3,674,900	877,000	20,459,367	13,599,487	6,859,881	215,965	1.87x	1.93x	1.55x
2042	3,675,425	880,300	20,970,851	13,878,276	7,092,575	220,392	1.93x	1.99x	1.61x
2043	3,677,050	877,250	21,495,123	14,162,781	7,332,342	224,910	1.99x	2.06x	1.66x
2044	3,674,450	878,300	22,032,501	14,453,118	7,579,383	229,520	2.06x	2.13x	1.72x
2045	3,677,625	878,000	22,583,313	14,749,407	7,833,907	234,226	2.13x	2.19x	1.77x
2046	3,675,925	876,350	23,147,896	15,051,769	8,096,127	239,027	2.20x	2.27x	1.83x
2047	3,674,350	878,350	23,726,594	15,360,331	8,366,263	243,927	2.28x	2.34x	1.89x
2048	3,677,575	873,550	24,319,758	15,675,217	8,644,541	248,928	2.35x	2.42x	1.95x
2049	3,674,950	877,400	24,927,752	15,996,559	8,931,193	254,031	2.43x	2.50x	2.02x
2050	3,676,475	879,000	25,550,946	16,324,489	9,226,457	259,238	2.51x	2.58x	2.08x
2051	3,676,500	878,350	26,189,720	16,659,141	9,530,579	264,553	2.59x	2.66x	2.15x
2052	3,674,700	880,450	26,844,463	17,000,653	9,843,809	269,976	2.68x	2.75x	2.22x
2053	3,675,750	879,850	27,515,574	17,349,167	10,166,408	275,511	2.77x	2.84x	2.29x
2054	3,674,000	876,550	28,203,464	17,704,825	10,498,639	281,159	2.86x	2.93x	2.37x
2055	3,674,125	880,550	28,908,550	18,067,774	10,840,777	286,922	2.95x	3.03x	2.44x
2056	3,675,475	875,950	29,631,264	18,438,163	11,193,101	292,804	3.05x	3.13x	2.52x
2057	3,677,400	878,200	30,372,046	18,816,145	11,555,900	298,807	3.14x	3.22x	2.60x
2058	3,674,250	876,400	31,131,347	19,201,876	11,929,471	304,932	3.25x	3.33x	2.69x
2059	3,675,700	875,550	31,909,630	19,595,515	12,314,116	311,184	3.35x	3.43x	2.77x
2060	3,675,775	875,200	32,707,371	19,997,223	12,710,149	317,563	3.46x	3.54x	2.86x
2061	3,676,200	874,350	33,525,056	20,407,166	13,117,890	324,073	3.57x	3.66x	2.95x
Total	**$124,873,180**	**$30,122,150**	**$795,333,277**	**$516,095,668**	**$279,237,609**	**$8,188,502**			

[1] Annual debt service is net of funded interest and release of debt service reserve fund. See Table B-7.

[2] Gross revenues, operating expenses and income available for debt service are based on the Forvis Financial Feasibility Study (see Appendix B) for Fiscal Years 2025-2029. For Fiscal Years 2030 and beyond, gross revenues and operating expenses are grown by 2.5% annually.

[3] Excludes the "Senior Management Fees" which is $300 per assited living units and/or memory care beds (static) which is not subordinated to the payment of debt service on Series 2025A Senior Lien and Series 2025B Subordinate Lien Bonds.

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9. Projected Redemptions of the Series 2025A Bonds and the Series 2025B Bonds. The following replaces the projected redemption table set forth on page 16 of the PLOM:

The following table sets forth the projected redemptions of the Series 2025A Bonds and was prepared using the following structuring assumptions: (1) the Obligated Group will have Income Available for Debt Service as reflected in the financial forecast contained in the Feasibility Study attached as **Appendix B** to this Limited Offering Memorandum through December 31, 2029 (*i.e.*, the ending data of the forecasted financial statements contained therein), (2) the Obligated Group's Income Available for Debt Service will increase by 2.5% per year in each of the fiscal years ending December 31, 2030 through 2035, with no changes for any period thereafter, and (3) the Net Income Available for Debt Service will be applied in accordance with the Master Indenture and the Bond Indenture to redeem Series 2025A Bonds on the July 1st following the applicable fiscal year end (see "**THE BONDS – Redemption of Bonds Prior to Maturity** – Surplus Cash Flow Redemption" herein).

	Projected Redemptions of the Series 2025A Bonds			Projected Redemptions of the Series 2025B Bonds		
Period Ending	Scheduled Maturities	Surplus Fund Redemptions	Aggregate Bond Redemptions	Scheduled Maturities	Surplus Fund Redemptions	Aggregate Bond Redemptions
01/01/2026	--	--	--	--	--	--
07/01/2026	--	--	--	--	--	--
01/01/2027	--	--	--	--	--	--
07/01/2027	--	--	--	--	--	--
01/01/2028	--	--	--	--	--	--
07/01/2028	--	--	--	--	--	--
01/01/2029	--	--	--	--	--	--
07/01/2029	--	$245,000	$245,000	--	$60,000	$60,000
01/01/2030	$70,000	--	315,000	--	--	60,000
07/01/2030	--	390,000	705,000	--	95,000	155,000
01/01/2031	155,000	--	860,000	--	--	155,000
07/01/2031	--	420,000	1,280,000	--	110,000	265,000
01/01/2032	245,000	--	1,525,000	--	--	265,000
07/01/2032	--	465,000	1,990,000	--	115,000	380,000
01/01/2033	340,000	--	2,330,000	--	--	380,000
07/01/2033	--	510,000	2,840,000	--	130,000	510,000
01/01/2034	445,000	--	3,285,000	$35,000	--	545,000
07/01/2034	--	540,000	3,825,000	--	135,000	680,000
01/01/2035	560,000	--	4,385,000	60,000	--	740,000
07/01/2035	--	575,000	4,960,000	--	150,000	890,000
01/01/2036	685,000	--	5,645,000	85,000	--	975,000
07/01/2036	--	615,000	6,260,000	--	155,000	1,130,000
01/01/2037	725,000	--	6,985,000	95,000	--	1,225,000
07/01/2037	--	725,000	7,710,000	--	185,000	1,410,000
01/01/2038	770,000	--	8,480,000	100,000	--	1,510,000
07/01/2038	--	850,000	9,330,000	--	205,000	1,715,000
01/01/2039	815,000	--	10,145,000	110,000	--	1,825,000
07/01/2039	--	975,000	11,120,000	--	235,000	2,060,000
01/01/2040	865,000	--	11,985,000	120,000	--	2,180,000
07/01/2040	--	1,115,000	13,100,000	--	260,000	2,440,000
01/01/2041	915,000	--	14,015,000	130,000	--	2,570,000
07/01/2041	--	1,260,000	15,275,000	--	295,000	2,865,000
01/01/2042	975,000	--	16,250,000	145,000	--	3,010,000
07/01/2042	--	1,420,000	17,670,000	--	320,000	3,330,000
01/01/2043	1,040,000	--	18,710,000	155,000	--	3,485,000
07/01/2043	--	1,590,000	20,300,000	--	355,000	3,840,000
01/01/2044	1,105,000	--	21,405,000	170,000	--	4,010,000
07/01/2044	--	1,780,000	23,185,000	--	375,000	4,385,000
01/01/2045	1,180,000	--	24,365,000	185,000	--	4,570,000
07/01/2045	--	1,980,000	26,345,000	--	405,000	4,975,000
01/01/2046	1,255,000	--	27,600,000	200,000	--	5,175,000
07/01/2046	--	2,200,000	29,800,000	--	425,000	5,600,000
01/01/2047	1,335,000	--	31,135,000	220,000	--	5,820,000
07/01/2047	--	2,440,000	33,575,000	--	445,000	6,265,000
01/01/2048	1,425,000	--	35,000,000	235,000	--	6,500,000
07/01/2048	--	2,670,000	37,670,000	--	485,000	6,985,000
01/01/2049	1,515,000	--	39,185,000	260,000	--	7,245,000
07/01/2049	--	2,905,000	42,090,000	--	540,000	7,785,000
01/01/2050	1,615,000	--	43,705,000	285,000	--	8,070,000
07/01/2050	--	4,430,000	48,135,000	--	835,000	8,905,000
01/01/2051		--	48,135,000		--	8,905,000
07/01/2051	--		48,135,000	--		8,905,000
Totals	**$18,035,000**	**$30,100,000**		**$2,590,000**	**$6,315,000**	

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10. **Optional Redemption of Series 2025B Bonds**. The Series 2025B Bonds shall be subject to following optional redemption provision (page 18 of the PLOM):

Series 2025B Bonds. The Series 2025B Bonds shall be subject to redemption at the option of the Issuer as directed by the Borrower, in whole or in part on any date on or after _____ __, 20__, from any legally available funds, at a Redemption Price equal to _____% of the principal amount of Series 2025B Bonds called for redemption, without premium, plus accrued interest with respect thereto to the date fixed for redemption.

11. **Extraordinary Redemption To Maintain Status of Tax-Exempt Bonds Following Change in Use**. The Series 2025B Bonds are included in the extraordinary redemption provisions relating to the maintenance of Tax-Exempt Bonds Following Change in Use (page 19 of the PLOM) and such provision is updated to the following:

To Maintain Status of Tax-Exempt Bonds Following Change in Use. The Tax-Exempt Bonds, other than any Tax-Exempt Bonds that are Series 2025C Bonds, shall be subject to extraordinary mandatory redemption, in whole or in part, on any date not later than one hundred days following a Determination of Taxability. If such Tax-Exempt Bonds are be redeemed in part, such Tax-Exempt Bonds and maturities thereof to be redeemed shall be selected pursuant to a Direction of the Borrower, together with an Opinion of Bond Counsel to the effect that such redemption will not, in and of itself, adversely affect the exclusion from gross income of interest on the Tax-Exempt Bonds remaining Outstanding, other than any Tax-Exempt Bonds that are Series 2025C Bonds, after such redemption for federal income tax purposes. The Redemption Price for the Tax-Exempt Bonds shall be equal to 105% of the principal amount of Tax-Exempt Bonds called for redemption plus accrued interest with respect thereto to the date fixed for redemption.

12. **Surplus Cash Flow Redemptions of Series 2025A Bonds and Series 2025B Bonds**. The Series 2025B Bonds are included in the surplus fund redemption provisions of the Bond Indenture (page 19 of the PLOM) and such provision is updated to the following:

Series 2025A Bonds. The Series 2025A Bonds shall be subject to redemption in inverse order of maturity on each _____ 1 on and after _____ 1, 20___, in an amount equal to the amount set forth in the written notice delivered to the Bond Trustee by the Obligated Group Representative pursuant to the Master Indenture (see "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Master Indenture –** Senior Lien Obligations Fund" herein), at a Redemption Price equal to the principal amount of Series 2025A Bonds to be redeemed, without premium, plus accrued interest with respect thereto to the date fixed for redemption.

Pursuant to the Master Indenture, funds will be deposited into the Redemption Account of the Senior Lien Obligations Fund from funds available at subsection (ix)(C) under the caption "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Master Indenture** – Revenue Fund – ***Flow of Funds from the Revenue Fund***" herein.

Series 2025B Bonds. The Series 2025B Bonds shall be subject to redemption in inverse order of maturity on each _____ 1 on and after _____ 1, 20___, in an amount equal to the amount set forth in the written notice delivered to the Bond Trustee by the Obligated Group Representative pursuant to the Master Indenture (see "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Master Indenture –** Junior Lien Obligations Fund" herein), at a Redemption Price equal to the principal amount of Series 2025B Bonds to be redeemed, without premium, plus accrued interest with respect thereto to the date fixed for redemption.

Pursuant to the Master Indenture, funds will be deposited into the Redemption Account of the Senior Lien Obligations Fund from funds available at subsection (ix)(C) under the caption "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Master Indenture –** Revenue Fund – ***Flow of Funds from the Revenue Fund***" herein.

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13. Mandatory Sinking Fund Redemption of Series 2025A Bonds and the Series 2025B Bonds. The mandatory sinking fund redemption schedules included on page 20 of the PLOM are replaced with the following:

Mandatory Sinking Fund Redemption

Series 2025A Bonds. The Series 2025A Bonds are subject to mandatory redemption, at a Redemption Price equal to the principal amount of the Series 2025A Bonds being redeemed, together with accrued interest thereon to the Redemption Date, pursuant to Mandatory Sinking Fund Installments on January 1 in each of the years and principal amounts set forth in the tables below, except that the Mandatory Sinking Fund Installments of Series 2025A Bonds shall be reduced in chronological order by the principal amount of any Series 2025A Bonds redeemed pursuant to any other optional or mandatory redemption provision on or before the date on which any such Mandatory Sinking Fund Installment is due:

The Series 2025A Bonds maturing on January 1, 2040*, are subject to mandatory redemption from Mandatory Sinking Fund Installments in the following amounts on January 1 of each year as follows:

Year (January 1)*	Mandatory Sinking Fund Installment*	Year (January 1)*	Mandatory Sinking Fund Installment*
2030	$70,000	2036	$685,000
2031	155,000	2037	725,000
2032	245,000	2038	770,000
2033	340,000	2039	815,000
2034	445,000	2040**	865,000
2035	560,000		

* Preliminary; subject to change.
** Final Maturity

The Series 2025A Bonds maturing on January 1, 2047*, are subject to mandatory redemption from Mandatory Sinking Fund Installments in the following amounts on January 1 of each year as follows:

Year (January 1)*	Mandatory Sinking Fund Installment*	Year (January 1)*	Mandatory Sinking Fund Installment*
2041	$915,000	2045	$1,180,000
2042	975,000	2046	1,255,000
2043	1,040,000	2047**	1,335,000
2044	1,105,000		

* Preliminary; subject to change.
** Final Maturity

The Series 2025A Bonds maturing on January 1, 2061*, are subject to mandatory redemption from Mandatory Sinking Fund Installments in the following amounts on January 1 of each year as follows:

Year (January 1)*	Mandatory Sinking Fund Installment*	Year (January 1)*	Mandatory Sinking Fund Installment*
2048	$1,425,000	2055	$2,210,000
2049	1,515,000	2056	2,355,000
2050	1,615,000	2057	2,510,000
2051	1,720,000	2058	2,670,000
2052	1,830,000	2059	2,845,000
2053	1,950,000	2060	3,030,000
2054	2,075,000	2061**	6,905,000

* Preliminary; subject to change.
** Final Maturity

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Series 2025B Bonds. The Series 2025B Bonds are subject to mandatory redemption, at a Redemption Price equal to the principal amount of the Series 2025B Bonds being redeemed, together with accrued interest thereon to the Redemption Date, pursuant to Mandatory Sinking Fund Installments on January 1 in each of the years and principal amounts set forth in the tables below, except that the Mandatory Sinking Fund Installments of Series 2025B Bonds shall be reduced in chronological order by the principal amount of any Series 2025B Bonds redeemed pursuant to any other optional or mandatory redemption provision on or before the date on which any such Mandatory Sinking Fund Installment is due:

The Series 2025B Bonds maturing on January 1, 2061*, are subject to mandatory redemption from Mandatory Sinking Fund Installments in the following amounts on January 1 of each year as follows:

Year (January 1)*	Mandatory Sinking Fund Installment*	Year (January 1)*	Mandatory Sinking Fund Installment*
2034	$35,000	2048	$235,000
2035	60,000	2049	260,000
2036	85,000	2050	285,000
2037	95,000	2051	310,000
2038	100,000	2052	340,000
2039	110,000	2053	370,000
2040	120,000	2054	400,000
2041	130,000	2055	440,000
2042	145,000	2056	475,000
2043	155,000	2057	520,000
2044	170,000	2058	565,000
2045	185,000	2059	615,000
2046	200,000	2060	670,000
2047	220,000	2061**	1,610,000

* Preliminary; subject to change.
** Final Maturity

14. **Rate Covenant; Debt Service Coverage Ratio**. The first three paragraph under the heading "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Master Indenture** – Rates and Charges; Coverage Liquidity – ***Rate Covenant; Debt Service Coverage Ratio***" on page 29 of the PLOM is replaced with the following:

Rate Covenant; Debt Service Coverage Ratio. The Obligated Group covenants and agrees to fix, charge and collect, or cause to be fixed, charged and collected, rental rates, fees and charges due from the residents of the Properties so that Gross Revenues, together with other available moneys, will be sufficient to pay all Required Payments when due and all Operating Expenses.

The Obligated Group covenants and agrees to fix, charge and collect, or cause to be fixed, charged and collected, rental rates, fees, and charges in each Bond Year, commencing with the Bond Year ending January 1, 2026, sufficient to produce a (i) Debt Service Coverage Ratio of not less than 1.20x with respect to the Related Senior Lien Bonds, and (ii) a Debt Service Coverage Ratio of not less than 1.10x with respect to the Related Senior Lien Bonds and the Related Junior Lien Bonds in the aggregate (collectively, the "**Rate Covenant**"). If, based upon the annual financial statements of the Obligated Group required herein, for any Fiscal Year such Debt Service Coverage Ratio was not maintained, the Obligated Group agrees to retain promptly an Independent Consultant for purposes of obtaining a report of such firm containing recommendations as to changes in the operating policies of the Obligated Group designed to maintain such Debt Service Coverage Ratio and to follow such recommendations.

The Obligated Group Representative shall deliver a Certificate to the Master Trustee along with the audited financial statements required by the Master Indenture, commencing with the audited financial statements for the Fiscal Year ending December 31, 2025, which Certificate shall set forth the calculation of the Debt Service Coverage Ratio for each Fiscal Year and the Obligated Group's compliance with the Rate Covenant.

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No default under the preceding paragraphs under this subheading will occur if a Debt Service Coverage Ratio less than required but at least 1.00:1.00 with respect to the Related Senior Lien Bonds is maintained, the Liquidity Requirements as of the related Testing Date was met, and if such recommendations are followed; provided, however, if the Debt Service Coverage Ratio with respect to the Related Senior Lien Bonds is not attained by the end of the next Fiscal Year, then an Event of Default shall occur.

The Obligated Group's obligation to meet the Rate Covenant remains so long as any applicable Obligations are Outstanding.

15. **Liquidity Requirement; Days Cash on Hand**. The first two paragraph under the heading "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Master Indenture** – Rates and Charges; Coverage Liquidity – ***Liquidity Requirement; Days Cash on Hand***" on page 30 of the PLOM is replaced with the following:

Liquidity Requirement; Days Cash on Hand. The Obligated Group covenants that it will calculate the Days Cash on Hand of the Obligated Group as of December 31 of each Fiscal Year, commencing with December 31, 2025 (each such date being a "**Testing Date**").

Each Member of the Obligated Group is required to conduct its business so that on each Testing Date the Obligated Group shall have no less than (i) 60 Days Cash on Hand on the Closing Date, December 31, 2026 and December 31, 2027, (ii) 75 Days Cash on Hand on December 31, 2028 and December 31, 2029, and (iii) 90 Days Cash on Hand on December 31, 2030 and December 31, 2031, and (iv) 120 Days Cash on Hand on December 31, 2032 and each December 31 thereafter (the "**Liquidity Requirement**").

16. **Definition of Debt Service Requirement**. The definition of Debt Service Requirement on page 29 of the PLOM is replaced with the following:

"***Debt Service Requirement***" means, with respect to any such calculated period of time, the aggregate of the payments required to be made during such period in respect of principal (whether at maturity, as a result of mandatory sinking fund redemption, mandatory prepayment or otherwise) and interest on outstanding Funded Indebtedness of each Person or a group of Persons with respect to which such requirements are calculated; provided that: (a) the amount of such payments for a future period shall be calculated in accordance with the assumptions contained in Section 3.12 of the Master Indenture; (b) interest shall be excluded from the determination of the Debt Service Requirement to the extent that Funded Interest is available to pay such interest; (c) payments on any Senior Lien Obligations as a result of transfers pursuant to Section 4.05(e) of the Master Indenture and payment on any Junior Lien Obligations as a result of transfers pursuant to Section 4.09(f) of the Master Indenture shall be excluded from the determination of the Debt Service Requirement; (d) principal of Indebtedness shall be excluded from the determination of the Debt Service Requirement to the extent that amounts are on deposit in an irrevocable escrow and such amounts (including, where appropriate, the earnings or other increment to accrue thereon) are required to be applied to pay such principal and such amounts so required to be applied are sufficient to pay such principal; (e) principal of Indebtedness due in its final year shall be excluded from the determination of Debt Service Requirement to the extent moneys were initially deposited and are on deposit as of the date of calculation in a debt service reserve fund which required that moneys on deposit in the debt service reserve fund be used to pay a principal payment in the final year of such Indebtedness; (f) any annual fees payable in respect of a Credit Facility (other than annual fees to be paid from proceeds of a bond issue escrowed for such purpose) shall be included in the determination of the Debt Service Requirement; (g) so long as any Senior Lien Obligations or Junior Lien Obligations are Outstanding, all payments due on Third Lien Obligations shall be excluded from the determination of the Debt Service Requirement; and (h) all payments due on any Affiliate Subordinated Indebtedness shall be excluded from the determination of the Debt Service Requirement.

17. **Approval of Consultants**. The following is added to prior to the "Admission and Withdrawal of Members of the Obligated Group" subcaption on page 31 of the PLOM:

Approval of Consultants

If at any time the Members of the Obligated Group are required to engage an Independent Consultant due to the failure to satisfy the Rate Covenant, the Liquidity Covenant or to adopt a budget that indicates the

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Rate Covenant will be met for the applicable period, such Independent Consultant shall be engaged in the manner set forth below.

Upon selecting an Independent Consultant as required by the applicable sections of the Master Indenture, the Obligated Group Representative shall promptly notify the Master Trustee in writing of such selection. The Master Trustee shall, as soon as practicable but in no case longer than five (5) Business Days after receipt of notice, forward such notice to the Holders of all Obligations outstanding of such selection, and the Obligated Group Representative will post a copy of such notice (or cause a copy of such notice to be posted) on EMMA. Such notice of the Obligated Group Representative shall (i) include the name of the Independent Consultant and a brief description of the Independent Consultant, (ii) state the reason that the Independent Consultant is being engaged including a description of the covenant(s) of this Master Indenture that require the Independent Consultant to be engaged, and (iii) state that the Holder of the Obligation will be deemed to have consented to the selection of the Independent Consultant named in such notice unless such Obligation Holder submits an objection to the selected Independent Consultant in writing (in a manner acceptable to the Master Trustee) to the Master Trustee within thirty (30) days of the date that the notice is sent to the Holders of the Obligations. No later than two (2) Business Days after the end of the 30-day objection period, the Master Trustee shall notify the Obligated Group of the number of written objections it has received. If the Holders of two-thirds (66 2/3%) or more in aggregate principal amount of the outstanding Obligations (excluding Obligations issued as Third Lien Obligations unless such Obligations are the only Outstanding Obligations) have consented or been deemed to have consented by not objecting to the selection of the Independent Consultant, the Obligated Group Representative may engage the Independent Consultant within five (5) days of receiving notice of that consent. If the Holders of more than one-third (33 1/3%) in aggregate principal amount of the outstanding Obligations (excluding Obligations issued as Third Lien Obligations unless such Obligations are the only Outstanding Obligations) have objected to the Independent Consultant selected, the Obligated Group Representative shall select another Independent Consultant within fourteen (14) days after receiving notice of such objection which may be engaged upon compliance with the procedures of this Section.

All Independent Consultant reports required under the Master Indenture shall be prepared in accordance with then-effective industry-appropriate standards.

When the Master Trustee provides the notice to the Holders of Obligations of such selection, the Master Trustee shall also request that any Related Bond Trustee send a copy of such notice to the owners of all of the Related Bonds outstanding. Such Related Bond Trustee shall, as the owner of an Obligation securing such Related Bonds, consent or object to the selection of the Independent Consultant in accordance with the response of the owners of such Related Bonds. If two-thirds (66 2/3%) or more in aggregate principal amount of the Related Bonds have been deemed to have consented to the selection of the Independent Consultant, by not objecting to the selection of the Independent Consultant, the Related Bond Trustee shall approve the Independent Consultant within five days of receiving notice of that consent. If more than one-third (33 1/3%) in aggregate principal amount of the owners of the Related Bonds have objected to the Independent Consultant selected, the Related Bond Trustee shall reject the Independent Consultant within 14 days after receiving notice of such objection.

The 30-day notice period described above may be extended by the Master Trustee in order to permit each Related Bond Trustee to give the owners of the Related Bonds 30 days to respond to the notice given by the Related Bond Trustee. By acceptance of an Obligation securing any Related Bonds, the Related Bond Trustee agrees to comply with the provisions of the Master Indenture.

18. **Flow of Funds from the Revenue Fund**. The description of the flow of funds from the Revenue Fund that begins on page 32 of the PLOM is replaced with the following:

Flow of Funds from the Revenue Fund. The twentieth (20th) day of each calendar month, the Master Trustee shall use and withdraw amounts in the Revenue Fund and apply such amounts to the following purposes in the following order, provided that, in the event funds in any month are insufficient to make any one or more of such transfers, any and all of such deficiencies will be remedied prior to making any transfers to any subordinated funds (based on the following order of priority) in any future month:

(i) at the written direction of the Obligated Group Representative, to any Related Bond Trustee for deposit to the Rebate Fund established under a Related Bond Indenture, the amount set forth in such written direction;

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(ii) at the written direction of the Obligated Group Representative, to the Master Trustee for deposit to the Administrative Costs Fund established under the Master Indenture, the amount set forth in such written direction for the payment of Administrative Fees;

(iii) to the following accounts in the following order of priority:

(1) the Interest Account of the Senior Lien Obligations Fund, an amount equal to the quotient obtained by dividing the amount of interest on the Senior Lien Obligations Outstanding payable on the first Interest Payment Date by the number of months between the related Closing Date and the first Interest Payment Date, and thereafter an amount equal to one-sixth ($1/6^{th}$) of the amount of interest due and payable on the Senior Lien Obligations on the next Interest Payment Date, plus an amount equal to any then-existing shortfall from prior periods; and

(2) commencing on that calendar month as shall precede the first Principal Payment Date by more than twelve (12) but less than thirteen (13) months, the Principal Account of the Senior Lien Obligations Fund, an amount equal to one-twelfth ($1/12^{th}$) of the Principal Amount of the Senior Lien Obligations due and payable on the next Principal Payment Date, including sinking fund installments, if applicable, plus an amount equal to any then-existing shortfall from prior periods;

In making such deposits, the Master Trustee shall reduce the amount of the Required Payments by (i) any investment earnings which have accrued in such accounts and (ii) any amounts which the Related Bond Trustee notifies it in writing are available for the Required Payments under the Related Bond Indenture;

(iv) to the following accounts in the following order of priority:

(1) the Interest Account of the Junior Lien Obligations Fund, an amount equal to the quotient obtained by dividing the amount of interest on the Junior Lien Obligations Outstanding payable on the first Interest Payment Date by the number of months between the related Closing Date and the first Interest Payment Date, and thereafter an amount equal to one-sixth ($1/6^{th}$) of the amount of interest due and payable on the Junior Lien Obligations on the next Interest Payment Date, plus an amount equal to any then-existing shortfall from prior periods; and

(2) commencing on that calendar month as shall precede the first Principal Payment Date by more than twelve (12) but less than thirteen (13) months, the Principal Account of the Junior Lien Obligations Fund, an amount equal to one-twelfth ($1/12^{th}$) of the Principal Amount of the Junior Lien Obligations due and payable on the next Principal Payment Date, including sinking fund installments, if applicable, plus an amount equal to any then-existing shortfall from prior periods;

In making such deposits, the Master Trustee shall reduce the amount of the Required Payments by (i) any investment earnings which have accrued in such accounts and (ii) any amounts which the Related Bond Trustee notifies it in writing are available for the Required Payments under the Related Bond Indenture;

(v) to the Operating Reserve Fund, the operating reserve amount, if any, necessary for the Obligated Group to satisfy the Liquidity Requirement covenant (see "***Liquidity Requirement; Days Cash on Hand***" above), or such larger amount as may be requested by the Asset Manager, in order to permit the Borrower to meet its budgetary and covenant calculations, which amount shall be certified by the Obligated Group Representative to the Master Trustee and shall be set forth in the Annual Budget (the "**Operating Reserve Required Balance**");

(vi) to the Repair and Replacement Fund, an amount equal to one-twelfth ($1/12^{th}$) of an amount certified by the Asset Manager to the Master Trustee, which the Asset Manager shall calculate annually for each account of the Repair and Replacement Fund as equal to $300 per unit in the related Property with a cumulative CPI adjustment every three years, which amount shall be set forth in the Annual Budget (the "**Repair and Replacement Requirement**");

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(vii) upon receipt of written notice from any Related Bond Trustee of a deficiency, to the Related Bond Trustee 1/36th of the amount set forth in such notice for the purpose of replenishing any debt service reserve account established with respect to any Related Senior Lien Bonds, and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of such amounts with respect to Related Senior Lien Bonds ratably without any discrimination or preference;

(viii) upon receipt of written notice from any Related Bond Trustee of a deficiency, to the Related Bond Trustee 1/36th of the amount set forth in such notice for the purpose of replenishing any debt service reserve account established with respect to any Related Junior Lien Bonds, and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of such amounts with respect to Related Junior Lien Bonds ratably without any discrimination or preference;

(ix) annually, commencing with the transfer in the month following the delivery of a Certificate to the Master Trustee required by the Master Indenture that evidences compliance with the Rate Covenant and the Liquidity Requirement for the applicable period, along with a direction from the Obligated Group Representative as to the amounts to be transferred pursuant to the following subsections:

(A) to the Subordinated Management Fees Fund at the written direction of the Obligated Group Representative to the Master Trustee an amount set forth in such direction that is equal to the Annual Budget for the payment of the Subordinated Management Fees, provided that such amount, when combined with the Senior Management Fees, shall not exceed 1.5% of the Gross Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported on by independent certified public accountants are available;

(B) all amounts necessary to replenish any debt service reserve account established with respect to any Related Senior Lien Bonds in full (*i.e.* the amount set forth in the written notice from a Related Bond Trustee with respect to a deficiency less any amounts paid to date pursuant to clause (vii) above), to the Related Bond Trustee for the purpose of replenishing any debt service reserve account established with respect to any Related Senior Lien Bonds;

(C) all amounts necessary to replenish any debt service reserve account established with respect to any Related Junior Lien Bonds in full (*i.e.* the amount set forth in the written notice from a Related Bond Trustee with respect to a deficiency less any amounts paid to date pursuant to clause (viii) above), to the Related Bond Trustee for the purpose of replenishing any debt service reserve account established with respect to any Related Junior Lien Bonds;

(D) so long as any Senior Lien Obligations or Junior Lien Obligations are Outstanding, 75% of all funds remaining in the Revenue Fund after the deposits required pursuant to clauses (i) through (viii) above and subclauses (A) through (C) of this clause (ix) to the Redemption Account of the Senior Lien Obligations Fund and the Redemption Account of the Junior Lien Obligations Fund, pro rata; and

(E) to the Surplus Fund, any remaining amounts on deposit in the Revenue Fund.

If the Obligated Group Representative shall fail to deliver a Certificate to the Master Trustee required by the Master Indenture that evidences compliance with the Rate Covenant and the Liquidity Requirement for the applicable period, no transfers shall be made pursuant to this subsection (ix) until such time as a Certificate is provided to the Master Trustee that evidences compliance with the Rate Covenant and the Liquidity Requirement for a subsequent applicable period.

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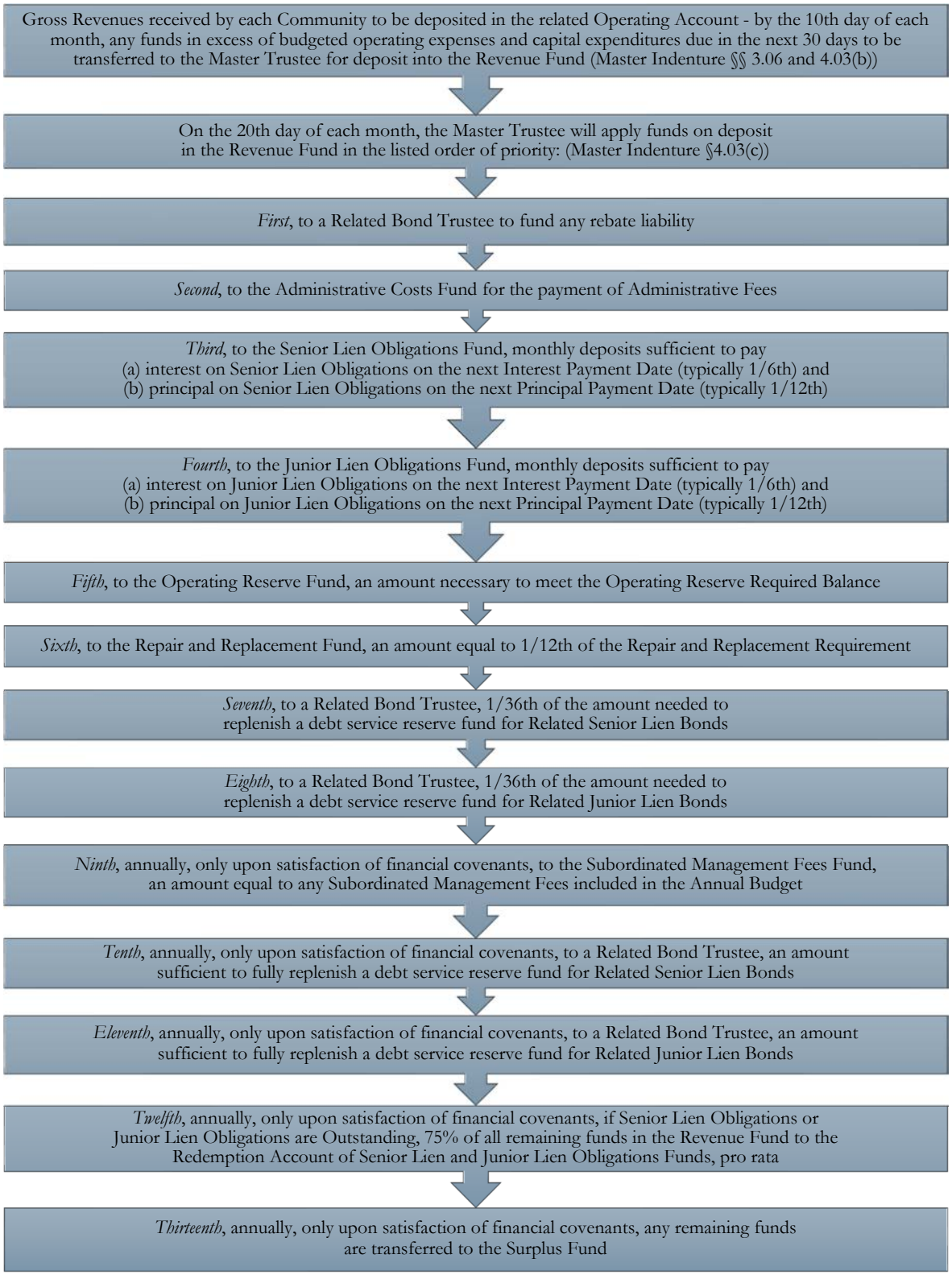
19. Deposit and Application of Funds Flowchart. The flowchart on page 34 of the PLOM is replaced with the following flowchart:



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20. **Shortfalls**. The description of the use of funds in the event of a shortfall in the Revenue Fund on page 33 of the PLOM is replaced with the following:

Shortfalls. In the event of a shortfall in the Revenue Fund to make the deposits pursuant to (i) through (viii) above, the Master Trustee shall take the following actions in the following order, as necessary: (1) transfer funds from the Surplus Fund, (2) transfer funds from the Third Lien Obligations Fund, (3) transfer funds from the Subordinated Management Fees Fund, (4) transfer funds from the Junior Lien Obligations Fund, (5) transfer funds from the Repair and Replacement Fund, and (6) transfer funds from the Operating Reserve Fund.

21. **Sufficiency Certificate**. The Sufficiency Certificate is required under the Master Indenture in connection with the incurrence of Additional Indebtedness and certain other actions proposed to be taken by the Obligated Group. The definition of Sufficiency Certificate on page 40 of the PLOM is replaced with the following:

"**Sufficiency Certificate**" means, with respect to a proposed action requiring the delivery of the same to the Master Trustee, one of the following:

(a) Historical Pro Forma Test - a Certificate of an Authorized Representative of the Obligated Group Representative stating that, after giving effect to such action, the outstanding and proforma Indebtedness has a Debt Service Coverage looking backwards of at least 1.50x on the Senior Lien Obligations; and 1.30x on the aggregate of the Senior Lien Obligations and the Junior Lien Obligations; and 1.00x on all of the Obligations (or with the approval of the holders of all of the Third Lien Obligations);

(b) Pro Forma Projection Test – an Independent Consultant's result stating that, after giving effect to such action and commencing the first full year of operations of additionally financed properties, the Projected Debt Service Coverage Ratio (including outstanding and proforma Indebtedness), will not be less than 1.50x with respect to all Senior Lien Obligations; and 1.30x on the aggregate of the Senior Lien Obligations and the Junior Lien Obligations; and 1.00x on all of the Obligations (or with the approval of the holders of all of the Third Lien Obligations); or

(c) the written consent of the Controlling Party; provided, however, for purposes of this clause (c) with respect to the incurrence of Additional Indebtedness pursuant to Section 5.01 hereof, (i) the incurrence of Additional Indebtedness in the form of Senior Lien Obligations shall require the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Senior Lien Obligations, the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Junior Lien Obligations, and the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Third Lien Obligations; (ii) the incurrence of Additional Indebtedness in the form of Junior Lien Obligations shall require the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Junior Lien Obligations and the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Third Lien Obligations; and (iii) the incurrence of Additional Indebtedness in the form of Third Lien Obligations shall require the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Third Lien Obligations.

For purposes of any Sufficiency Certificate delivered pursuant to clause (a) or clause (b) above, (i) any deposit of Bond Proceeds into the Revenue Fund on a Closing Date shall be treated as Gross Revenues received by the Master Trustee on such Closing Date, and (ii) a Sufficiency Certificate shall not be deemed defective solely because such Sufficiency Certificate shows a deficiency in the Projected Debt Service Coverage Ratio for the period between the Closing Date and the beginning of the immediately succeeding Fiscal Year.

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22. **Junior Lien Obligations Fund and Third Lien Obligations Fund.** The Master Indenture has been revised to provide for the creation of a Junior Lien Obligations Fund with the same substantive provisions as the description of the Senior Lien Obligations Fund on page 35 of the PLOM and the Junior Lien Obligations Fund described on page 36 of the PLOM are now references to the Third Lien Obligations Fund.

23. **Description of the Surplus Fund**. The description of the Surplus Fund on page 37 of the PLOM is replaced with the following:

Surplus Fund

Provided that (i) no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice in accordance with the Master Indenture and (ii) the Obligated Group Representative and the Asset Manager provides a written certification that (A) the Obligated Group expects to satisfy the Rate Covenant as of the end of the current Fiscal Year based on current year-to-date operations and (B) the Operating Reserve Fund, the Repair and Replacement Fund and each debt service reserve fund established under a Related Bond Indenture is fully funded in accordance with the provisions of this Master Trust Indenture and each Related Bond Indenture, at the direction of Obligated Group Representative and the Asset Manager, which shall be in the form provided in the Master Indenture and signed by the Obligated Group Representative and the Asset Manager, funds may be (i) withdrawn from the Surplus Fund as directed by the Obligated Group Representative and the Asset Manager for use in supporting the organization and mission of the Borrower and the other Members of the Obligated Group, (ii) transferred to the Principal Account of the Senior Lien Obligations Funds, the Junior Lien Obligations Fund or the Third Lien Obligations Fund for the redemption of Senior Lien Obligations, Junior Lien Obligations or Third Lien Obligations, or (iii) transferred to the Subordinated Management Fees Fund and used to pay any accrued and unpaid Subordinated Management Fees, in each case, commencing on the Business Day after each Interest Payment Date and continuing through (and including) the ninetieth day thereafter. For the avoidance of doubt, funds may only be withdrawn or transferred from the Surplus Fund during the period commencing one Business Day after each Interest Payment Date and continuing though (and including) the ninetieth day thereafter.

24. **Underwriting**. The description of the Bonds being underwritten by the Underwriter and purchased pursuant to the Bond Purchase Agreement described on page 66 of the PLOM shall include the Series 2025A Bonds and the Series 2025B Bonds.

25. **Purchase Price Allocation Table**. The chart describing the purchase price of each Community, including the portion being paid in cash and the portion being paid through the issuance of Series 2025B Bonds (now the Series 2025C Bonds) on page A-1-4 of the PLOM is replaced with the following chart:

	Purchase Price Allocation*			Purchase Price Per Unit of Capacity[1]		
Community	**Cash**	**Series 2025C**	**Total**	**Cash**	**Series 2025C**	**Total**
Fairways at Naples	$ 13,500,000	$ 2,900,000	$ 16,400,000	$ 250,000	$ 53,704	$ 303,704
Liana of Venice	11,400,000	4,600,000	16,000,000	211,111	85,185	296,296
Sage Lake Senior Living	22,600,000	400,000	23,000,000	275,610	4,878	280,488
Total	**$ 47,500,000**	**$ 7,900,000**	**$ 55,400,000**	**$ 250,000**	**$ 41,579**	**$ 291,579**

* Preliminary; subject to change. The cash component for each Community is set forth in each applicable Purchase Agreement and the sellers have agreed to allocate the Series 2025C Bonds within the maximum aggregate sales price of $55,400,000 on a substantially proportionate basis across the Portfolio.

[1] Purchase Price Per Unit of Capacity is calculated by dividing the applicable purchase price by the total unit/bed capacity in the related Community or the Portfolio (see the caption "**HISTORICAL OCCUPANCY INFORMATION FOR THE COMMUNITIES – Summary Portfolio Occupancy Information**" in this **Appendix A-1** for the total unit/bed capacity of each Community and the Portfolio).

26. **Updated Information – Estimated Financial Results.**

The Financial Feasibility Study attached as APPENDIX B — "FINANCIAL FEASIBILITY STUDY" to the Preliminary Limited Offering Memorandum was prepared based on assumptions regarding the assumed plan of finance, as of August 28, 2025. The data presented in the table below provides the estimated financial performance for the four fiscal years ending December 31, 2029, assuming a change in the plan of finance, based on information as of October 7, 2025.

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The information disclosed below is that which management believes is significant to the estimated financial results. Estimated results may not be achieved as there will usually be differences between the estimated and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. The estimated financial information has not been examined or reviewed and, therefore, no assurances can be provided.

Estimated Financial Information
(Dollars in Thousands)

	Financial Feasibility Study (dated August 28, 2025)	Estimated (as of October 7, 2025)
Issuance of Series 2025 Bonds		
- Series 2025A Bonds (Senior Lien)	$61,125	$48,135
- Series 2025B Bonds (Junior Lien)	$ -	$ 8,905
- Series 2025C Bonds (Third Lien) [1]	$ 4,300	$ 7,900
- Less: Original Issue Discount	($1,655)	($1,229)
Total Issuance of Series 2025 Bonds	**$ 63,770**	**$ 63,711**

For the Year Ending December 31,	**2026**	**2027**	**2028**	**2029**
Per Financial Feasibility Study (dated August 28, 2025)				
Funds Available For Debt Service [2]	$4,578	$4,693	$4,810	$4,931
Debt Service Requirement, net – Series 2025A Bonds [3]	$3,668	$3,778	$3,953	$3,998
Debt Service Coverage Ratio – Series 2025A Bonds	**1.25x**	**1.24x**	**1.22x**	**1.23x**
Total Cash and Investments	$2,831	$3,024	$3,305	$3,632
Days' Cash on Hand	**75**	**78**	**84**	**91**
Estimated Financial Information (as of October 7, 2025)				
Funds Available For Debt Service [2]	$4,568	$4,694	$4,812	$4,934
Debt Service Requirement, net – Series 2025A Bonds[3]	$2,944	$3,018	$3,092	$3,170
Debt Service Coverage Ratio – Series 2025A Bonds	**1.55x** **1.50x[4]**	**1.56x** **1.50x[4]**	**1.56x** **1.50x[4]**	**1.56x** **1.50x[4]**
Debt Service Requirement, net – Series 2025A/B Bonds[5]	$3,746	$3,820	$3,894	$3,972
Debt Service Coverage Ratio – Series 2025A/B Bonds	**1.22x**	**1.23x**	**1.24x**	**1.24x**
Total Cash and Investments	$3,272	$3,518	$3,853	$4,210
Days' Cash on Hand	**87**	**91**	**98**	**106**
Source: Management				

[1] The assumed Seller subordinate junior lien bonds were referred to as Series 2025B Bonds in the Feasibility Study.
[2] The Subordinate Management Fees were added back to the calculation of Funds Available for Debt Service.
[3] The Debt Service Coverage Ratio, as calculated with the Series 2025A Bonds Annual Debt Service, is equal to the greatest debt service requirement in the then current year as defined in the Series 2025 bond documents, less funded interest.
[4] If the Subordinate Management Fees were included in the Funds Available for Debt Service, then the Debt Service Coverage Ratio would be reduced by approximately .05x to .06x basis points each year.
[5] The Debt Service Coverage Ratio, as calculated with the Series 2025A Bonds and Series 2025B Bonds Annual Debt Service, is equal to the greatest debt service requirement in the then current year as defined in the Series 2025 bond documents, less funded interest.

Certain calculations in the Feasibility Study described in the Preliminary Limited Offering Memorandum will be adjusted for the foregoing changes, which will be reflected in the final version of the Financial Feasibility Study to be included in the final Limited Offering Memorandum.

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All other provisions of the Preliminary Limited Offering Memorandum not explicitly supplemented by this Second Supplement remain unchanged.

THE INFORMATION CONTAINED IN THIS SECOND SUPPLEMENT IS SUBJECT TO MORE COMPLETE INFORMATION CONTAINED IN THE PRELIMINARY LIMITED OFFERING MEMORANDUM. THIS SECOND SUPPLEMENT IS TO BE READ ONLY IN CONJUNCTION WITH THE PRELIMINARY LIMITED OFFERING MEMORANDUM. THIS SECOND SUPPLEMENT SHOULD NOT BE SEPARATED FROM THE PRELIMINARY LIMITED OFFERING MEMORANDUM AND NEITHER THIS SECOND SUPPLEMENT, NOR THE PRELIMINARY LIMITED OFFERING MEMORANDUM, MAY BE RELIED UPON IN ANY WAY INDEPENDENT OF EACH OTHER.

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EXHIBIT A TO SECOND SUPPLEMENT DATED OCTOBER 7, 2025

TO PRELIMINARY LIMITED OFFERING MEMORANDUM DATED AUGUST 29, 2025
(AS PREVIOUSLY SUPPLEMENTED ON SEPTEMBER 12, 2025)

Redlined Form of the Bond Indenture
(*marked against the form attached as Appendix C-1 to the original PLOM*)

(*see attached*)

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BOND INDENTURE

between

CAPITAL TRUST AUTHORITY,
as Issuer

and

UMB BANK, N.A.,
as Bond Trustee

Relating to

Capital Trust Authority
Senior Living Facilities
Senior Lien Revenue Bonds, Series 2025A
(Alpha Lifestyle Partners, Inc. Project)

Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B
(Alpha Lifestyle Partners, Inc. Project)

Senior Living Facilities Third Lien Revenue Bonds, Series 2025C
(Alpha Lifestyle Partners, Inc. Project)

Dated as of _____ 1, 2025

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BOND INDENTURE

This BOND INDENTURE, dated as of _____ 1, 2025 (this "Bond Indenture"), between CAPITAL TRUST AUTHORITY, a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida (including its successors and assigns, the "Issuer"), and UMB BANK, N.A., a national banking association organized and existing under the laws of the United States of America, which is authorized by law to accept and exercise the trust powers set forth herein, and its successors in trust and assigns (the "Bond Trustee").

W I T N E S S E T H:

WHEREAS, the Issuer is a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida (the "State") established for the purposes set forth under Section 163.01, Florida Statutes, Chapter 166, Part II, Florida Statutes, Chapter 617, Florida Statutes, and Chapter 159, Florida Statutes, each as amended, the Enabling Resolutions (as herein defined); Ordinance Number 04-00, enacted by the City Council of the City of Gulf Breeze, Florida ("Gulf Breeze") on May 15, 2000, as amended and supplemented by Ordinance No. 05-01, and Ordinance No. 10-11, enacted by Gulf Breeze on May 7, 2001 and September 6, 2011, respectively; the City Charter of Gulf Breeze; the City Charter of the City of Quincy, Florida; the Interlocal Agreement (as herein defined) with powers as a "local agency" under Chapter 159, Part II, Florida Statutes, and together with all of the home rule powers granted by the Constitution and laws of the State and all other applicable provisions of law (collectively, the "Act"); and

WHEREAS, by the Enabling Resolutions, Resolution No. 23-24 duly adopted by the Issuer on June 20, 2024 (the "Inducement Resolution") and Resolution No. 41-24, duly adopted by the Issuer on October 29, 2024, as supplemented by Resolution No. [__]-25, duly adopted by the Issuer on [____], 2025 (together with the Inducement Resolution, the "Bond Resolution"), approvals have been duly and validly provided pursuant to the Act to issue revenue bonds for the purpose of providing funds to finance or refinance all or any part of the cost of the Projects (as hereinafter defined) which collectively constitutes a "project" as defined in the Act; and

WHEREAS, Alpha Lifestyle Partners, Inc. (the "Borrower"), has requested financial assistance from the Issuer in financing the acquisition, improvement, and/or equipping of certain senior living facilities as more particularly described in the hereinafter defined Loan Agreement (collectively, the "Projects"); and

WHEREAS, the Issuer has duly entered into a Loan Agreement dated as of _____ 1, 2025 (the "Loan Agreement"), with the Borrower, specifying the terms and conditions of a loan by the Issuer to the Borrower of the proceeds of the Bonds (as hereinafter defined) to (i) finance the acquisition, improvement, and/or equipping of the Projects, (ii) fund a debt service reserve for the Senior Lien Bonds ~~(as~~and the Junior Lien Bonds (as hereinafter defined~~ herein~~), (iii) fund a deposit to the Operating Reserve Fund under the Master Indenture, (iv) fund capitalized interest on the Senior Lien Bonds and the Junior Lien Bonds, and (v) pay costs of issuing the Bonds; and

WHEREAS, the Issuer and the Bond Trustee are entering into this Bond Indenture for the purpose of authorizing ~~two~~three series of bonds: (i) Capital Trust Authority Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A **(**Alpha Lifestyle Partners, Inc. Project**)** (the "Series 2025A Bonds"), ~~and~~ (~~iii~~ii) Capital Trust Authority Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc. Project**)** (the "Series 2025B Bonds") and (iii) Capital Trust Authority Senior Living Facilities Third Lien Revenue Bonds, Series 2025C (Alpha Lifestyle Partners, Inc. Project**)** (the "Series 2025C Bonds", and together with the Series 2025A Bonds and the Series 2025B Bonds, the "Bonds"), in the aggregate principal amount of $[__], the net proceeds of which shall be loaned to the Borrower to provide funds to the Borrower for the purpose of acquiring, improving, and/or equipping the Projects, paying costs of issuance of the Bonds and funding certain reserves; and

WHEREAS, it is intended that the Series 2025A Bonds shall be secured under this Bond Indenture on a senior basis to the Series 2025B Bonds~~,~~ and the Series 2025C Bonds, the Series 2025B Bonds shall be secured under this Bond Indenture on a subordinate basis to the Series 2025A Bonds and on a senior basis to the Series 2025C Bonds, and the Series 2025C Bonds shall be secured under this Bond Indenture on a subordinate basis to the Series 2025A Bonds and the Series 2025B Bonds; and

WHEREAS, the Bond Trustee has the power to enter into this Bond Indenture and to execute the trust hereby created and has accepted the trust created hereby; and

WHEREAS, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal thereof, Redemption Price, if any, and interest thereon, the Issuer has authorized the execution and delivery of this Bond Indenture; and

WHEREAS, all acts and proceedings required by law necessary to make the Bonds, when executed by the Issuer, authenticated and delivered by the Bond Trustee and duly issued, the valid, binding and legal special limited obligations of the Issuer, and to constitute this Bond Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Bond Indenture have been in all respects duly authorized; and

WHEREAS, in consideration of the issuance of the Bonds by the Issuer, the Borrower has agreed to cause to be issued to the Issuer or its designee Obligation No. 1 ~~and~~, Obligation No. 2 and Obligation No. 3 pursuant to the Master Trust Indenture and the Supplemental MTIs (as such terms are defined herein); and

NOW, THEREFORE, THIS BOND INDENTURE WITNESSETH, that in order to secure the payment of the principal of, Redemption Price, if any, and interest on, all Bonds at any time issued and Outstanding under this Bond Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth,

and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, the Issuer does hereby covenant and agree with the Bond Trustee, for the benefit of the Owners from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Bond Indenture and of any indenture supplemental hereto and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined.

"*Account*" or "*Accounts*" means any one or more of the accounts from time to time created in any of the Funds established by the Bond Indenture or by any Supplemental Bond Indenture.

"*Accountant*" or "*accountant*" means any certified public accountant or firm of certified public accountants or accounting corporation selected by the Borrower.

"*Accredited Investor*" means an accredited investor as defined in Regulation D of the Securities Act of 1933, as amended.

"*Act*" means Section 163.01, Florida Statutes, Chapter 166, Part II, Florida Statutes, Chapter 617, Florida Statutes, and Chapter 159, Florida Statutes, each as amended; the Enabling Resolutions; Ordinance Number 04-00, enacted by the City Council of the City of Gulf Breeze, Florida ("Gulf Breeze") on May 15, 2000, as amended and supplemented by Ordinance No. 05-01, and Ordinance No. 10-11, enacted by Gulf Breeze on May 7, 2001 and September 6, 2011, respectively; the City Charter of Gulf Breeze; the City Charter of the City of Quincy, Florida; the Interlocal Agreement, with powers as a "local agency" under Chapter 159, Part II, Florida Statutes, and together with all of the home rule powers granted by the Constitution and laws of the State and all other applicable provisions of law.

"*Additional Payments*" means the payments so designated and required to be made by Borrower pursuant to Section 3.2 of the Loan Agreement.

"Annual Issuer's Fee" means the regular fee of the Issuer, due and payable in advance on each October 1, in an amount equal to $25,000. Notwithstanding the foregoing, upon the defeasance of the Bonds, the sum of the Annual Issuer's Fees that would have been paid between

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the date of defeasance to the date of optional redemption shall become immediately due and payable.

"*Arbitrage Rebate Monitor*" means initially, Integrity Public Finance Consulting, LLC, a Florida limited liability company, and thereafter any certified public accountant, financial analyst or Bond Counsel or a financial institution (which may include the Bond Trustee) experienced in making the arbitrage and rebate calculations required pursuant to Section 148(f) of the Code, selected by the Issuer and compensated by the Issuer to perform the duties required pursuant to Section 5.4(b) of the Loan Agreement.

"*Authorized Denominations*" means, with respect to the Bonds, $100,000 principal amount and integral multiples of $5,000 in excess thereof, except that a Bond held by an Owner that has become held in a denomination of less than $100,000 as a result of a partial redemption of such Bond may be transferred or exchanged by such Owner or subsequent Owner but only to transferees permitted under Section 3.08 hereof; provided, however, in the event (i) the Bond Trustee and the Issuer have received an Investment Grade Notice, and (ii) the Trustee has received the authorization and direction of the Issuer to remove the herein described transfer restrictions, "Authorized Denominations" means $5,000 or any integral multiple thereof throughout an Investment Grade Period.

"Authorized Issuer Representative" means any person or persons at the time designated to act on behalf of the Issuer by written certificate furnished to the Borrower and the Bond Trustee, containing the specimen signature of such person and signed on behalf of the Issuer by the Chair of the Issuer. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

"*Authorized Representative of the Borrower*" means the chair (or president) of its Governing Body, its chief executive officer or its chief financial officer, its secretary or any other person designated as an Authorized Representative of the Borrower by a Certificate of the Borrower, signed by the chair (or president) of its Governing Body or its chief executive officer or chief financial officer and filed with the Bond Trustee.

"*Beneficial Owner*" means any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including Persons holding Bonds through nominees, depositories or other intermediaries).

"*Bond"* or *"Bonds*" means, collectively, the Series 2025A Bonds ~~and~~, the Series 2025B Bonds and the Series 2025C Bonds.

"*Bond Counsel*" means a firm of attorneys, selected or approved by the Issuer, whose experience in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized.

"*Bond Documents*" means the Bond Indenture, the Loan Agreement, the Bond Purchase Agreement and the Tax Agreement.

"*Bond Indenture*" means this Bond Indenture, dated as of _____ 1, 2025, by and between the Issuer and the Bond Trustee, as originally executed and as it may from time to time be amended, modified and supplemented in accordance with the terms thereof.

"*Bond Purchase Agreement*" means the Bond Purchase Agreement, dated _____ __, 2025, by and among the Issuer, the Borrower and the Underwriter.

"*Bond Resolution*" means the resolutions adopted by the Issuer authorizing the issuance of the Bonds.

"*Bond Trustee*" means UMB BANK, N.A., as Bond Trustee under the Bond Indenture, together with any successors or assigns.

"*Bond Trustee Indemnified Parties*" means, individually or collectively, as applicable, the Bond Trustee and its officers, directors, employees and agents, and its successors and assigns.

"*Bondholder," "Holder," "Owner"* or *"Registered Owner*" means the person in whose name any of the Bonds are registered on the books kept and maintained by the Bond Trustee as bond registrar. The initial Bondholder of the Series 2025A Bonds ~~is~~and the Series 2025B Bonds is Cede & Co., as nominee of The Depository Trust Company. The initial Bondholder of the Series ~~2025B~~2025C Bonds is [_____].

"*Borrower*" means Alpha Lifestyle Partners, Inc., a Delaware nonprofit corporation, and its successors and assigns, designated and authorized to act on behalf of the Obligated Group.

"*Borrower Documents*" means the Loan Agreement, the Master Trust Indenture, the Supplemental MTIs, the Obligations, the Purchase Agreement, the Bond Purchase Agreement, the Mortgages, the Collateral Assignment of Licenses, Contracts and Agreements, the Continuing Disclosure Agreement, the Tax Agreement and each of the other agreements, certificates, contracts or instruments to be executed by the Borrower in connection with the issuance of the Bonds or the financing of a portion of the expenses associated with the Projects.

"*Business Day*" means any day other than a Saturday, Sunday, or national holiday recognized by commercial banks located in New York or Florida, or a legal holiday in the States of New York or Florida.

"*Cede & Co*." means the nominee of DTC.

"*Certificate," "Request," "Direction,"* or *"Order*" means a written certificate, statement, request, direction, requisition or order signed on behalf of the Borrower by an Authorized Representative of the Borrower or on behalf of the Issuer by an Authorized Issuer

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Representative. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

"*Closing*" or "*Closing Date*" means _____ __, 2025.

"*Code*" means the Internal Revenue Code of 1986, as amended, and the United States Treasury Regulations proposed or in effect with respect thereto.

"*Collateral Assignment of Licenses, Contracts and Agreements*" means the Collateral Assignment of Licenses, Contracts and Agreements, dated as of _____ __, 2025, executed by each Member in favor of the Master Trustee, as amended from time to time.

"*Consultant*" means any Person at the time employed by or on behalf of the Borrower to carry out the duties imposed by or pursuant to the Loan Agreement, the Bond Indenture or a Supplemental Bond Indenture, which Person shall be experienced, have a favorable reputation in the matters for which such Person is so employed, and be independent of the Borrower.

"*Continuing Disclosure Agreement*" means the Continuing Disclosure Agreement dated as of _____ 1, 2025 between the Borrower and the Dissemination Agent, and as it may thereafter be amended or supplemented from time to time in accordance with its terms.

"*Controlling Party*" means (a) so long as any Senior Lien Bonds are Outstanding, the Registered Owners of at least a majority of the aggregate principal amount of the Senior Lien Bonds then Outstanding; ~~and~~ (b) while any Junior Lien Bonds are Outstanding and no Senior Lien Bonds are Outstanding, the Registered Owners of at least a majority of the aggregate principal amount of the Junior Lien Bonds then Outstanding; and (c) while any Third Lien Bonds are Outstanding and no Senior Lien Bonds nor Junior Lien Bonds are Outstanding, the Registered Owners of at least a majority of the aggregate principal amount of the Third Lien Bonds then Outstanding.

"*Costs of Issuance*" means the items of expense relating to the authorization, sale and issuance of Bonds, which items of expense may include, without limitation: travel expenses; printing costs; costs of reproducing documents; filing and recording fees; initial and first year administrative fees and charges of the Bond Trustee, Consultants, Registrar and any paying agent; initial fees and charges of banks, insurers or other parties pursuant to guarantees or bond insurance policies; bond discounts; legal fees and charges; consulting fees and charges; auditing fees and expense; financial advisor's fees and charges; escrow agent fees and charges, appraisal company fees and expenses, title company fees and charges, costs of credit ratings; insurance premiums; fees and charges for the execution, transportation and safekeeping of Bonds; and any

other administrative or other costs of issuing, carrying and repaying such Bonds and investing the Bond proceeds.

"*Debt Service*" means, as of any date of calculation, with respect to any particular period and with respect to all Bonds, all Bonds of any Series or any portion thereof as the context requires, an amount equal to the sum of (a) interest accruing during such period on such Outstanding Bonds and (b) that portion of each Principal Payment and Mandatory Sinking Fund Installment for such Outstanding Bonds which would accrue during such period if each such Principal Payment and Mandatory Sinking Fund Installment for such Bonds were deemed to accrue daily in equal amounts from the next preceding Principal Payment Date for such Bonds (or, if there shall be no such preceding date, from a date one year preceding such Principal Payment Date or from the date of issuance of the such Bonds, whichever date is later). Such interest, principal and Mandatory Sinking Fund Installment payments for the Outstanding Bonds shall be calculated on the assumption that no Bonds Outstanding at the date of calculation shall cease to be Outstanding except by reason of the payment of scheduled principal and Mandatory Sinking Fund Installment on the due dates thereof and on the basis of the actual number of days within the relevant period.

"*Debt Service Fund*" means the Debt Service Fund established by Section 5.02 of this Bond Indenture, together with the Accounts established therein.

"*Defeasance Investment Securities*" means:

(a) Cash deposits (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in the next paragraph).

(b) Direct obligations of (including obligations issued or held in book entry form on the books of the Department of Treasury) the United States of America. In the event these securities are used for defeasance, they shall be non-callable and non-prepayable.

(c) Obligations of the following federal agencies so long as such obligations are backed by the full faith and credit of the United States of America (in the event these securities are used for defeasance, they shall be non-callable and non-prepayable):

U.S. Export-Import Bank (Eximbank)

Rural Economic Community Development Administration

Federal Financing Bank

U.S. Maritime Administration

U.S. Department of Housing and Urban Development (PHAs)

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General Services Administration

Small Business Administration

Government National Mortgage Association (GNMA)

Federal Housing Administration

Farm Credit System Financial Assistance Corporation

"*Depository*" means initially DTC, or any other securities depository selected as set forth in Section 3.14 of this Bond Indenture with respect to the Bonds.

"*Designated Office*" or "*Designated Corporate Trust Office*" with respect to the Bond Trustee means the corporate trust office of the Bond Trustee located at the address set forth in Section 13.08 of this Bond Indenture, or at such other place as the Bond Trustee shall designate by notice given under said Section 13.08, or such other office designated by the Bond Trustee from time to time.

"*Determination of Taxability*" means a determination that interest accrued or paid on any series of Tax-Exempt Bonds is included in gross income for federal income tax purposes, which determination shall be deemed to have been made upon the occurrence of the first to occur of (a) the date on which any Owner is advised in writing by the Commissioner or any District Director of the Internal Revenue Service that interest on any series of the Tax-Exempt Bonds is included in gross income for federal income tax purposes, (b) the date on which the Issuer or the Borrower receives notice from an Owner that such Owner has been (i) advised in writing that Internal Revenue Service has issued a statutory notice of deficiency or similar notice to such Owner that asserts, in effect, that interest on a series of the Tax-Exempt Bonds received by such Owner is included in the gross income of such Owner for federal income tax purposes, or (ii) by an Opinion of Bond Counsel received by such Owner that concludes, in effect, that interest on a series of the Tax-Exempt Bonds is included in gross income for federal income tax purposes, (c) the day on which the Issuer is advised in writing by the Commissioner or any District Director of the Internal Revenue Service that there has been issued a public or private ruling of the Internal Revenue Service that the interest on a series of Tax-Exempt Bonds is included in gross income for federal income tax purposes, or (d) the day on which the Issuer is advised in writing by counsel to an Owner that a final determination, from which no further right to appeal exists, has been made by a court of competent jurisdiction in the United States of America in a proceeding with respect to which the Issuer and the Borrower have been given written notice and an opportunity to participate and defend that the interest on the applicable series or series of Tax-Exempt Bonds is included in gross income for federal income tax purposes; provided, however, that a Determination ~~o~~of Taxability shall not include any such determination that is solely the result of a change in the Code.

"Dissemination Agent" means Digital Assurance Certification LLC, a Florida limited liability company, or any successor thereto, acting as Dissemination Agent under the Continuing Disclosure Agreement.

"*DTC*" means The Depository Trust Company, or any successor securities depository thereto.

"*Effective Date*" means the Closing Date.

"*Electronic Means*" means telecopy, telegraph, telex, electronic mail, facsimile transmission or other similar electronic means of communication providing confirmation of receipt, including a telephonic communication confirmed by writing or written transmission.

"*EMMA*" means and refers to the Electronic Municipal Market Access system of the Municipal Rulemaking Securities Board, or any successor which comports with the applicable rules of the United States Securities and Exchange Commission.

"*Enabling Resolutions*" means, collectively, the Gulf Breeze Resolution and the Quincy Resolution.

"*Environmental Regulations*" means all legal requirements governing or relating to the protection of the environment, natural resources or human health concerning (i) activities at the Projects, (ii) repairs or rehabilitation of the Projects, (iii) handling of any materials at the Projects, (iv) releases into or upon the air, soil, surface water or ground water from the Projects, and (v) storage, distribution, use, treatment, transport or disposal of any waste at or connected with any activity at the Projects, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 42 U.S.C. §§ 9601 et seq., as amended from time to time; the Hazardous Materials Transportation Act 49 U.S.C. §§ 5101 et seq., as amended from time to time; the Resource Conservation and Recovery Act 42 U.S.C. §§ 6901 et seq., as amended from time to time; the Federal Water Pollution Control Act 33 U.S.C. §§ 1251 et seq., as amended from time to time; and comparable State statutes.

"*Fiscal Year*" means the twelve (12) month period terminating on December 31 of each year, or any other annual accounting period hereafter selected and designated by the Borrower as its Fiscal Year in accordance with Generally Accepted Accounting Principles.

"*Fitch*" means Fitch, Inc., doing business as Fitch Ratings, or its successors in the business of providing investment rating services, provided that if neither Fitch nor any such successor is then in such business the references to Fitch and ratings thereof shall no longer be requirements of the Bond Documents.

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"*Fund"* or *"Funds*" means any one or more, as the case may be, of the separate special funds established by the Bond Indenture or by any Supplemental Bond Indenture.

"*Generally Accepted Accounting Principles*" means those conventions, rules, procedures and practices, consistently applied, affecting all aspects of recording and reporting financial transactions which are generally accepted by major independent accounting firms in the United States.

"*Governing Body*" means, when used with respect to the Borrower, its board of directors, board of trustees, or other board or group of individuals in which all of the powers of such Person are vested except for those powers reserved to the corporate membership thereof by the articles of organization, operating agreement or other organizational documents of such Person.

"*Gulf Breeze Resolution*" means Resolution No. 14-22, duly adopted by the City Council of the City of Gulf Breeze, Florida, on June 6, 2022, as amended by Resolution No. 46-22, duly adopted by the City Council of City of Gulf Breeze, Florida on November 21, 2022.

"*Hazardous Substances*" means any petroleum or petroleum products and their by-products, flammable explosives, radioactive materials, toxic chemicals and substances, radon, asbestos in any form that is or could become friable, urea formaldehyde foam insulation and polychlorinated biphenyls (PCB), asbestos-containing materials (ACMs), lead-containing or lead-based paint (LBP), radon, Mold, medical waste and other bio-hazardous materials and any chemicals, pollutants, materials or substances defined as or included in the definition of "hazardous substances" as defined pursuant to the federal Comprehensive Environmental Response, Compensation and Liability Act, "regulated substances" within the meaning of subtitle I of the federal Resource Conservation and Recovery Act and words of similar import under applicable Environmental Regulations.

"*Indemnified Party*" and "*Indemnified Parties*" shall have the meaning given in Section 5.3 of the Loan Agreement.

"*Interest Payment Date*" means January 1 and July 1, commencing January 1, 2026.

"Interlocal Agreement" means the Interlocal Agreement dated as of June 6, 2022, between the City of Gulf Breeze, Florida, and the City of Quincy, Florida, as may be amended and supplemented from time-to-time.

"*Investment Grade Notice*" means any official notice released by any Rating Agency that the Bonds have been rated Baa3 by Moody's, BBB- by S&P or Fitch, or its equivalent, or higher, by such Rating Agency.

"*Investment Grade Period*" means any period during which the Bonds are rated Baa3 by Moody's, BBB- by S&P or Fitch, or its equivalent, or higher, by such Rating Agency.

"*Investment Securities*" means any of the following:

(a) negotiable instruments or securities represented by instruments in bearer or registered or in book-entry form which evidence (i) obligations fully guaranteed by the United States of America; (ii) obligations of any agency of the United States of America; (iii) time deposits in, or bankers acceptances issued by, any depositary institution or trust company incorporated under the laws of the United States of America or any state thereof and subject to supervision and examination by Federal or state banking or depositary institution authorities; provided, however, that at the time of investment or contractual commitment to invest therein, the certificates of deposit or short-term deposits, if any, or long-term unsecured debt obligations (other than such obligation whose rating is based on collateral or on the credit of a Person other than such institution or trust company) of such depositary institution or trust company shall have a credit rating from Moody's and S&P of at least "P-1" and "A-1," respectively, in the case of the certificates of deposit or short-term deposits, or a rating not lower than one of the two highest investment categories granted by Moody's and by S&P in the caser of long term unsecured debt obligations; (iv) certificates of deposit having, at the time of investment or contractual commitment to invest therein, a rating from Moody's and S&P of at least "P-1" and "A-1," respectively; or (v) investments in money market funds (including those owned or managed by the Bond Trustee) rated in the highest investment category or otherwise approved in writing by Moody's and S&P;

(b) demand deposits and cash escrows in any depositary institution or trust company (including those owned or managed by the Bond Trustee) referred to in (a)(iii) above;

(c) commercial paper (having original or remaining maturities of no more than 30 days) having, at the time of investment or contractual commitment to invest therein, a credit rating from Moody's and S&P of at least "P-1" and "A-1," respectively;

(d) Eurodollar time deposits having a credit rating from Moody's and S&P of at least "P-1" and "A-1," respectively;

(e) repurchase agreements involving any of the Investment Securities described in clauses (a)(i), (a)(iv) and (d) of this definition so long as the other party to the repurchase agreement has at the time of investment therein, a rating from Moody's and S&P of at least "P-1" and "A-1," respectively;

(f) investments in the form of guaranteed investment contracts, funding agreements with primary dealers, or repurchase agreements shall contain a provision for the unwinding of such investment within three (3) business days if the long term or short term debt rating of the bank, primary dealer or other financial institution, as the case may be, falls below "A-" by S&P

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or Fitch or below "Aa" by Moody's, or such entity defaults on the payment of any of its obligations to or on behalf of the Borrower, unless such investment is collateralized with obligations of the U.S. Government in an amount equal to at least 102% of the face amount of such investments or such rating is reinstated on or prior to such unwind date;

(g) U.S. dollar denominated deposit accounts that are fully and continuously insured by the Federal Deposit Insurance Corporation; and

(h) any other investment permitted by a Supplemental Bond Indenture and which satisfies any Rating Agency conditions.

"*Investor Letter*" means the investor letter delivered by each original purchaser of Bonds in the form attached hereto as Exhibit ~~C~~D, with such modifications as may be approved by the Issuer.

"*Issuer*" means the Capital Trust Authority, a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida, and any successor body to the duties or functions of the Issuer.

"*Issuer Documents*" means collectively the Loan Agreement, the Bond Indenture, the Bond Purchase Agreement, the Tax Agreement, and any other agreement, certificate, contract, or instrument to be executed by the Issuer in connection with the issuance of the Bonds or the financing of a portion of the expense associated with the Projects.

"*Issuer Indemnified Party*" or "*Issuer Indemnified Parties*" means the Issuer, the Sponsoring Political Subdivisions, and each of their respective past, present, and future incorporators, directors, board members or commissioners, council members, governing members, trustees, commissioners, officers, elected or appointed officials, Authorized Issuer Representative, counsel, advisors, and agents and employees, together with their respective successors and assigns individually and collectively.

"Issuer's Fees and Expenses" means the fees and expenses, if any, payable to or incurred by the Issuer under or in connection with the Bonds or any of the other Bond Documents, and including, but not limited to, the Annual Issuer's Fee and any fees and expenses of counsel to the Issuer.

"*Issuer's Reserved Rights*" means (a) all of the Issuer's right, title and interest in its reimbursement and indemnification pursuant to the Bond Documents and all enforcement remedies with respect to the foregoing, all of which shall survive any transfer, retirement or payment of the Bonds in full or in part and which shall also survive the termination of the Loan Agreement and this Bond Indenture, (b) all the rights to receive the Issuer's Fees and Expenses, (c) the right to receive notices and to make any determination and to grant any approval or consent to anything in this Bond Indenture, the Loan Agreement, and the Bonds requiring the

determination, consent or approval of the Issuer, (d) all rights of the Issuer to enforce the representations, warranties, covenants and agreements of the Borrower set forth in the Loan Agreement and the Tax Agreement, (e) any and all limitations of liability of the Issuer set forth in the Bond Documents and related rights and remedies regarding (1) the negotiability, registration and transfer of the Bonds, (2) the loss or destruction of the Bonds, (3) the limited liability of the Issuer as provided in the Act and in this Bond Indenture and the Bond Documents, (4) the maintenance of insurance by the Borrower, (5) no liability of the Issuer to third parties, and (6) no warranties of suitability or merchantability by the Issuer, and (f) all rights of the Issuer in connection with any amendment to or modification of this Bond Indenture, the Loan Agreement, and the Bonds.

"*Junior Lien Bonds*" means the Series 2025B Bonds.

"*Junior Lien Debt Service Account*" means the account by that name established within the Debt Service Fund pursuant to Section 5.02 of this Bond Indenture.

"*Junior Lien Debt Service Reserve Fund*" means the Junior Lien Debt Service Reserve Fund established by Section 5.02 of this Bond Indenture.

"*Junior Lien Debt Service Reserve Fund Requirement*" means, as of any date of calculation, the least of (i) 10% of the Principal Amount of Series 2025B Bonds then Outstanding, (ii) maximum annual debt service on all Series 2025B Bonds then Outstanding, or (iii) 125% of average annual debt service on all Series 2025B Bonds then Outstanding[, excluding, in each case, the debt service due in [final year of maturity]].

"*Junior Lien Redemption Account*" means the account by that name established within the Debt Service Fund pursuant to Section 5.02 of this Bond Indenture.

"*Letter of Instructions*" means a written directive and authorization executed by an Authorized Issuer Representative and delivered to the Bond Trustee in connection with the defeasance of any of the Bonds under the Bond Indenture.

"*Liabilities*" means any and all fees, costs and charges, losses, damages, claims, actions, liabilities and expenses of any conceivable nature, kind or character (including, without limitation, fees and expenses of attorneys, accountants, consultants and other experts, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) in any way related to the Bonds or the Projects to which the Indemnified Parties, or any of them, may become subject under any statutory law or regulation (including federal or state securities laws and regulations and federal tax laws or regulations) or at common law or otherwise.

"*Limited Offering Memorandum*" means the limited offering memorandum with respect to the Bonds.

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"*Loan Agreement*" means that certain Loan Agreement by and between the Issuer and Borrower, dated as of _____ 1, 2025, as originally executed and as it may from time to time be supplemented, modified or amended in accordance with the terms thereof and of this Bond Indenture.

"*Loan Default Event*" means any of the events specified in Section 6.1 of the Loan Agreement.

"*Loan Repayments*" means the payments so designated and required to be made by the Borrower pursuant to Section 3.1 of the Loan Agreement.

"*Mandatory Sinking Fund Installment*" means with respect to the Bonds, the amount required to be paid as the Redemption Price of Bonds subject to mandatory sinking fund redemption on any Principal Payment Date prior to maturity pursuant to the Bond Indenture or the Supplemental Bond Indenture for such Bonds, less the amounts credited to such Mandatory Sinking Fund Installment as set forth in Sections 4.03(a)(1) and 4.03(a)(2) hereof.

"*Master Trust Indenture*" means that certain Master Trust Indenture, dated as of _____ 1, 2025, among the Obligated Group Representative, the Members of the Obligated Group and the Master Trustee, as originally executed and as the same may be amended and supplemented from time to time in accordance with its terms.

"*Master Trustee*" means UMB BANK, N.A., as the Master Trustee appointed pursuant to the Master Trust Indenture.

"*Maximum Rate*" means the not to exceed interest rate stated in the Bond Resolution.

"*Member of the Obligated Group*" or "*Member*" means the Borrower, Alpha Lifestyle Partners Florida, Inc., ALP Covington, LLC, ALP Naples, LLC, and ALP Venice, LLC, and any other Person who has satisfied the requirements set forth in the Master Trust Indenture for becoming a Member of the Obligated Group and its successors until any such Person or a successor or transferee Person satisfies the requirements set forth in the Master Trust Indenture for ceasing to be a Member of the Obligated Group.

"*MMD Rate*" means, with respect to the Bonds, the "Comparable AAA General Obligations" yield curve rate for the period most nearly equal to the remaining average life (assuming any future Mandatory Sinking Fund Installments for the applicable Bonds would have been applied on a pro rata basis to the applicable Bond) from the redemption date of the principal of the Bond to be redeemed as published by Municipal Market Data five business days prior to the date of redemption. If no such yield curve rate is established for a period ending within one year of such remaining average life of the Bond to be redeemed, the "Comparable AAA General Obligations" yield curve rate for the two published maturities most closely corresponding to the

remaining average life of such Bond will be determined, and the "MMD Rate" will be interpolated or extrapolated from those yield curve rates on a straight-line basis.

"*Moody's*" means Moody's Investors Service, Inc. or its successors in the business of providing investment rating services, provided that if neither Moody's nor any successor is then in such business the reference to Moody's and ratings thereof shall no longer be requirements of the Bond Documents.

"*Mortgages*" or "*Mortgage*" means, collectively, any mortgage, including leasehold deed of trust, deed of trust, security agreement, assignment of rents and leases, and/or financing statement, dated as of _____ __, 2025, executed by a Member of the Obligated Group, as mortgagor, in favor of the Master Trustee, as mortgagee, on behalf of the holders of the Obligations, as amended from time to time.

"*Obligated Group*" means, collectively, each Member of the Obligated Group.

"*Obligated Group Representative*" means the Borrower, and its successors and assigns, designated and authorized to act on behalf of the Obligated Group as provided for in the Master Trust Indenture.

"*Obligations*" means Obligation No. 1 ~~and~~, Obligation No. 2 and Obligation No. 3 issued pursuant to the Master Trust Indenture and the Supplemental MTIs securing Borrower's obligations under the Loan Agreement.

"*Opinion of Bond Counsel*" means a written opinion signed by Bond Counsel.

"*Outstanding*" means, with respect to any Bonds as of any date, Bonds theretofore or thereupon being authenticated and delivered under the Bond Indenture except:

(a) Bonds canceled or delivered for cancellation at or prior to such date;

(b) Bonds in lieu of or in substitution for which other Bonds have been authenticated and delivered pursuant to the Bond Indenture; and

(c) Bonds deemed to have been paid, redeemed, purchased or defeased as provided in the Bond Indenture, in any Supplemental Bond Indenture, as applicable, or as provided by law.

"*Owner*" means (i) when used with reference to the book entry only system, the person who is considered the Beneficial Owner of the Bonds and, with respect to the Bonds, pursuant to the arrangements for book entry determination of ownership applicable to the Depository and, (ii) for purposes of continuing disclosure, any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including

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persons holding such through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bonds for federal income tax purposes.

"*Participant*" means those broker-dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository.

"*Permitted Liens*" has the meaning set forth in the Master Trust Indenture.

"*Person*" means any individual, public or private corporation, partnership, limited liability company, county, district, issuer, municipality, political subdivision or other entity of any state or the United States of America, and any partnership, association, firm, trust, estate or any other entity or organization whatsoever.

"*Principal Payment*" means with respect to any Principal Payment Date for any Series of Bonds, an amount equal to the sum of (a) the aggregate principal amount of Outstanding Bonds of such Series which mature on such Principal Payment Date, reduced by the aggregate principal amount of such Outstanding Bonds of such Series which are scheduled to be retired prior to such date as a result of Mandatory Sinking Fund Installments in accordance with the Bond Indenture or a Supplemental Bond Indenture; plus (b) the aggregate amount of any Mandatory Sinking Fund Installments payable on such Principal Payment Date for the retirement of any Outstanding Bonds of such Series.

"*Principal Payment Date*" means with respect to any Series of Bonds a date on which principal of or a Mandatory Sinking Fund Installment on such Series of Bonds is due and payable.

"*Projects*" means the projects identified in Exhibit B of the Loan Agreement.

"*Purchase Agreement*" means each Purchase and Sale Agreement dated _____ __, 2025, by and among the Borrower, a Member and the applicable affiliate of Trinity Investors, LLC.

"*Qualified Institutional Buyer*" has the meaning set forth in Rule 144A under the Securities Act of 1933, as amended.

"*Quincy Resolution*" means Resolution No. 1424-2022, duly adopted by the City Commission of the City of Quincy, Florida, on May 24, 2022.

"*Rating Agency*" means each of Fitch, Moody's and S&P.

"*Rebate Analyst*" means initially, Integrity Public Finance Consulting, LLC, a Florida limited liability company, and thereafter any certified public accountant, financial analyst or Bond Counsel or a financial institution (which may include the Bond Trustee) experienced in making the arbitrage and rebate calculations required pursuant to Section 148(f) of the Code,

selected by the Borrower, acceptable to the Issuer and compensated by the Borrower, to make the computations and give the directions required pursuant to the Loan Agreement, this Bond Indenture or any Supplemental Bond Indenture.

"*Rebate Fund*" means the Rebate Fund established by Section 5.02 of this Bond Indenture, and includes any separate accounts or subaccounts established by the terms of any Supplemental Bond Indentures or any agreement pursuant thereto.

"*Record Date*" means the close of business on the 15th day of the calendar month (whether or not a Business Day) preceding such Interest Payment Date.

"*Redemption Date*" means the date upon which any Bonds are to be redeemed prior to their respective fixed maturities pursuant to the mandatory or optional redemption provision of this Bond Indenture.

"*Redemption Price*" means, with respect to any Bond, the amount, including any applicable premium, payable upon the mandatory or optional redemption thereof, as provided in the Bond Indenture or any Supplemental Bond Indenture.

"*Register*" means the register maintained by the Registrar for each Series of Bonds which shows ownership of Bonds in accordance with Section 3.08 of this Bond Indenture.

"*Registered Owner*" means Bondholder.

"*Registrar"* means, with respect to the Bonds, the Bond Trustee, and the successor or successors appointed pursuant to and meeting the requirements of Article X of this Bond Indenture.

"*Required Payments*" means the payments so designated and required to be made by Borrower pursuant to Section 3.01 of the Master Trust Indenture.

"*Responsible Officer*" means, when used with respect to the Bond Trustee, officer in the corporate trust department of the Bond Trustee having direct responsibility for administration of this Bond Indenture.

"*Revenue Fund*" means the Revenue Fund established by Section 5.02 of this Bond Indenture.

"*Revenues*" means all amounts received by the Bond Trustee for the account of the Issuer pursuant to or with respect to the Loan Agreement or Obligations, including, without limiting the generality of the foregoing, Loan Repayments (including both timely and delinquent payments and any late charges, and whether paid from any source), Required Payments, prepayments and all interest, profits or other income derived from the investment of amounts in any fund or account established pursuant to this Bond Indenture, but not including any Additional Payments,

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the Annual Issuer's Fee, any payments with respect to the Issuer's Reserved Rights, or any moneys required to be deposited in the Rebate Fund.

"*Rule*" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

"*Securities Depositories*" means the following registered securities depositories: (a) The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Fax: (516) 227-4039 or 4190; (b) Midwest Securities Trust Company, Capital Structures-Call Notification, 440 South LaSalle Street, Chicago, Illinois 60605, Fax: (312) 663-2343; and (c) Philadelphia Depository Trust Company, Reorganization Division, 1900 Market Street, Philadelphia, Pennsylvania 19103, Attention: Bond Department, Fax: (215) 496-5058; or, (d) in accordance with then-current guidelines of the Securities and Exchange Commission, to such other addresses and/or such other securities depositories, as the Securities and Exchange Commission may designate from time to time.

"*Senior Lien Bonds*" means the Series 2025A Bonds.

"*Senior Lien Debt Service Reserve Fund*" means the Senior Lien Debt Service Reserve Fund established by Section 5.02 of this Bond Indenture.

"*Senior Lien Debt Service Reserve Fund Requirement*" means, as of any date of calculation, the least of (i) 10% of the Principal Amount of Series 2025A Bonds then Outstanding, (ii) maximum annual debt service on all Series 2025A Bonds then Outstanding, or (iii) 125% of average annual debt service on all Series 2025A Bonds then Outstanding, excluding, in each case, the debt service due in [final year of maturity].

"*Senior Lien Redemption Account*" means the account by that name established within the Debt Service Fund pursuant to Section 5.02 of this Bond Indenture.

"*Series*" means Bonds identified as a separate series which are authenticated and delivered on original issuance and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to the Bond Indenture or any Supplemental Bond Indenture.

"*Series 2025A Bonds*" means the $[__] aggregate principal amount of Capital Trust Authority Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc. Project).

"*Series 2025B Bonds*" means the $[__] aggregate principal amount of Capital Trust Authority Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc. Project).

"*Series 2025C Bonds*" means the $[__] aggregate principal amount of Capital Trust Authority Senior Living Facilities Third Lien Revenue Bonds, Series 2025C (Alpha Lifestyle Partners, Inc. Project).

"Sponsoring Political Subdivisions" means, collectively, the City of Gulf Breeze, Florida and the City of Quincy, Florida.

"*S&P*" means S&P Global Ratings, a division of S&P Global, Inc., or its successor in the business of providing investment rating services, provided that if neither S&P nor any such successor is then in such business the references to S&P and ratings thereof shall no longer be requirements of the Bond Documents.

"*State*" means the State of Florida.

"*Subaccount*" means any one or more of the subaccounts from time to time created in any of the Accounts established by Section 5.02 of this Bond Indenture or by any Supplemental Bond Indenture.

"*Supplemental Bond Indenture*" means any Bond Indenture supplemental to or amendatory of this Bond Indenture, entered into by the Issuer and the Bond Trustee in accordance with Article XI thereof.

"*Supplemental MTIs*" means those Supplemental Master Trust Indentures for the Obligations, dated as of _____ 1, 2025, between the Obligated Group Representative and the Master Trustee, as originally executed and as the same may be amended and supplemented from time to time in accordance with its terms.

"*Tax Agreement*" means the Tax Regulatory Agreement among the Issuer, the Borrower and the Obligated Group with respect to the Bonds, at the time of issuance and delivery of the Bonds, as the same may be amended or supplemented in accordance with its terms.

"*Tax-Exempt Bonds*" means the Series 2025A Bonds ~~and~~, the Series 2025B Bonds and the Series 2025C Bonds.

"*Third Lien Bonds*" means the Series 2025C Bonds.

"*Third Lien Redemption Account*" means the account by that name established within the Debt Service Fund pursuant to Section 5.02 of this Bond Indenture.

"*Trust Estate*" has the meaning ascribed thereto in Section 5.01(b) hereof.

"*Underwriter*" means Stifel, Nicolaus & Company, Incorporated.

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Section 1.02 Table of Contents, Titles and Headings. The table of contents, titles and headings of the articles and sections of this Bond Indenture have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Bond Indenture or any provision hereof or in ascertaining intent, if any question of intent should arise. Any headings preceding the texts of the several Articles and Sections of this Bond Indenture, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Bond Indenture, nor shall they affect its meaning, construction or effect.

Section 1.03 Interpretation and Construction. For purposes of this Bond Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) All references in this Bond Indenture to designated "Exhibits," "Articles," "Sections," "subsections," "paragraphs," "clauses" and other subdivisions are to the designated Exhibits, Articles, Sections, subsections, paragraphs, clauses and other subdivisions of this Bond Indenture. The words "herein," "hereof," "hereto," "hereby," "hereunder" and other words of similar import refer to this Bond Indenture as a whole and not to any particular Article, Section or other subdivision.

(b) The terms defined in Section 1.01 have the meanings assigned to them in Section 1.01 and include the plural as well as the singular.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with Generally Accepted Accounting Principles as in effect from time to time.

(d) The term "money" includes any cash, check, deposit, Investment Security or other form in which any of the foregoing are held hereunder.

(e) Whenever the word "includes" or "including" is used, such word means "includes or including by way of example and not limitation."

(f) Every "request," "order," "demand," "application," "appointment," "notice," "statement," "certificate," "consent," "direction" or similar action under this Bond Indenture by any party must be in writing and signed by a duly authorized representative of such party with a duly authorized signature.

(g) In the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and each of the words "to" and "until" means "to but excluding."

(h) This Bond Indenture and all terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Bond Indenture.

(i) To the extent any inconsistencies exist between any of the provisions contained in this Bond Indenture, the more specific provisions shall control over the more general provisions.

(j) All references in this Bond Indenture to "counsel fees," "attorneys' fees" or the like mean and include fees and disbursements allocable to in-house or outside counsel, whether or not suit is instituted, and including fees and disbursements preparatory to and during any proceedings of a governmental or regulatory body, judicial or administrative hearing, trial and appeal and in any bankruptcy or arbitration proceedings.

(k) All approvals, consents and acceptances required to be given or made by any person or party hereunder shall be at the reasonable discretion of the party whose approval, consent or acceptance is required except to the extent otherwise specified herein.

(l) For purposes hereof, the Issuer shall not be deemed to have knowledge of any fact or the occurrence of any event unless and until the Authorized Issuer Representative has written notice thereof or actual knowledge thereof.

(m) Whenever the Issuer is named or referred to, it shall be deemed to include its successors and assigns whether so expressed or not. All of the covenants, stipulations, obligations, and agreements by or on behalf of, and other provisions for the benefit of, the Issuer contained in this Bond Indenture shall bind and inure to the benefit of such successors and assigns and shall bind and inure to the benefit of any officer, board, commission, issuer, agency or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the Issuer, or of its successors or assigns, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements or other provisions hereof.

Section 1.04 Content of Certificates and Opinions. Every certificate or opinion (other than legal opinions) provided for in this Bond Indenture with respect to compliance with any provision hereof shall be made on behalf of the entity named therein and not made individually by the person signing such certificate and shall include (1) a statement that the person making or giving such certificate or opinion, on behalf of the entity named therein and not individually, has read such provision and the definitions herein relating thereto; (2) a brief statement as to the nature and scope of the examination or investigation upon which the entity's certificate or opinion is based; (3) a statement that the entity has made or caused to be made such examination or investigation as is necessary to enable the entity to express an informed opinion with respect to the subject matter referred to in the certificate or opinion which such entity is delivering; and

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(4) a statement as to whether, in the opinion of such person, such provision has been complied with.

Notwithstanding any provision hereof to the contrary, whenever any certificate or opinion is required by the terms of this Bond Indenture to be given by the Issuer on its own behalf, any such certificate or opinion may be made or given by an Authorized Issuer Representative (and in no event individually) and may be based (i) insofar as it relates to factual matters, upon a certificate of or representation by the Bond Trustee or the Borrower; and (ii) insofar as it relates to legal or accounting matters, upon a certificate or opinion of or representation by counsel or an accountant, in each case under clauses (i) and (ii) without further investigation or inquiry by such Authorized Issuer Representative or otherwise on behalf of the Issuer.

Any such certificate, opinion or representation made or given pursuant to this Bond Indenture may be based, insofar as it relates to legal or accounting matters, upon a certificate or opinion of or representation by counsel or an accountant, unless (except as provided in the immediately preceding paragraph) the Person giving the certificate, opinion or representation knows that the certificate, opinion or representation with respect to the matters upon which such certificate or statement may be based, as aforesaid, is erroneous in any material respect. Any such certificate or opinion made or given by counsel or an accountant may be based, insofar as it relates to factual matters (with respect to which information is in the possession of the Bond Trustee) upon a certificate or opinion of or representation by a Responsible Officer on behalf of the Bond Trustee (and not individually), unless such counsel or accountant knows, or in the exercise of reasonable care should have known, that the certificate or opinion or representation with respect to the matters upon which such Person's certificate or opinion or representation may be based, as aforesaid, is erroneous. The same Responsible Officer, or the same counsel or accountant, as the case may be, need not certify to all of the matters required to be certified under any provision of this Bond Indenture, but different representatives of such parties may certify to different matters.

ARTICLE II

LIMITED OBLIGATIONS

Section 2.01 Limited Obligations of the Issuer. Notwithstanding any other provision hereof, Bonds issued hereunder and any other obligations of the Issuer under this Bond Indenture shall be special limited obligations of the Issuer payable only from moneys available therefor under and in accordance with this Bond Indenture and any applicable Supplemental Bond Indenture.

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY OUT OF THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS,

THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE BONDS OR THIS BOND INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING SUCH BONDS BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE BONDS. THE ISSUER HAS NO TAXING POWER.

No recourse under or upon any obligation, covenant or agreement contained in the Bond Documents or the Borrower Documents, or under any judgment obtained against the Issuer, or the enforcement of any assessment, or any legal or equitable proceedings by virtue of any constitution or statute or otherwise, or under any circumstances under or independent of this Bond Indenture, or any claim based thereon or otherwise in respect thereof shall be had against the Sponsoring Political Subdivisions or the Issuer or any incorporator, member, director, officer, employee, agent or counsel as such, past, present or future of the Issuer, or the Sponsoring Political Subdivisions, either directly or through the Issuer, the Bond Trustee or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to the Beneficial Owner of any Bond issued hereunder, or otherwise, of any sum that may be due and unpaid by the Issuer upon any such Bond. Any and all personal liability of every nature whether at common law or in equity or by statute or by constitution or otherwise of any such incorporator, member, director, officer, employee, agent or counsel, as such, to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Registered Owner of any Bond issued hereunder or otherwise of any sum that may remain due and unpaid upon the Bond hereby secured or any of them is, by the acceptance hereof, expressly waived and released as a condition of and in consideration for the execution of this Bond Indenture and the issuance of the Bonds.

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ARTICLE III

AUTHORIZATION AND ISSUANCE OF BONDS, GENERAL TERMS AND PROVISIONS OF THE BONDS

Section 3.01 Authorization of Bonds.

There are hereby authorized to be issued and shall be issued under and secured by this Bond Indenture a Series of Bonds designated as "Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc. Project)" in an aggregate original principal amount of $[__], ~~and~~ a Series of Bonds designated as "Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc. Project)" in an aggregate principal amount of $[__], and a Series of Bonds designated as "Senior Living Facilities Third Lien Revenue Bonds, Series 2025C (Alpha Lifestyle Partners, Inc. Project)" in an aggregate original principal amount of $[__].

Section 3.02 Provisions for Issuance of Bonds.

All (but not less than all of) of the Bonds shall be executed by the Issuer for issuance under this Bond Indenture and delivered to the Bond Trustee and thereupon shall be authenticated by the Bond Trustee and by it delivered upon the Order of the Issuer in Authorized Denominations.

Section 3.03 Application of Bond Proceeds and Other Funds.

(a) The proceeds received from the sale of the Series 2025A Bonds ($[__]), comprised of the aggregate principal amount of the Series 2025A Bonds, plus/less original issue premium/discount of $[__], less underwriter's discount of $[__] shall be paid to the Bond Trustee for deposit in trust as follows:

(1) $[_____], being an amount equal to the Senior Lien Debt Service Reserve Fund Requirement with respect to the Series 2025A Bonds, shall be deposited in the Senior Lien Debt Service Reserve Fund;

(2) $[_____] shall be deposited in the Costs of Issuance Account of the Project Fund and applied to Costs of Issuance;

(3) $[_____], shall be deposited in the Series 2025A Capitalized Interest Account of the Project Fund; and

(4) $[_____], being the balance of the proceeds of the Series 2025A Bonds received on the Closing Date, shall be deposited in the Acquisition Account of the Project Fund and an amount equal to $[_____] of such amount shall be immediately

transferred to the Master Trustee for deposit in the Operating Reserve Fund with the remainder applied to the costs of the acquisition of the Projects.

(b) The proceeds received from the sale of the Series 2025B Bonds ($[__]), comprised of the aggregate principal amount of the Series 2025B Bonds, plus/less original issue premium/discount of $[__], less underwriter's discount of $[__] shall be paid to the Bond Trustee for deposit in trust as follows:

(1) $[_____], being an amount equal to the Junior Lien Debt Service Reserve Fund Requirement with respect to the Series 2025B Bonds, shall be deposited in the Junior Lien Debt Service Reserve Fund;

(2) $[_____] shall be deposited in the Costs of Issuance Account of the Project Fund and applied to Costs of Issuance;

(3) $[_____], shall be deposited in the Series 2025B Capitalized Interest Account of the Project Fund; and

(4) $[_____], being the balance of the proceeds of the Series 2025B Bonds received on the Closing Date, shall be deposited in the Acquisition Account of the Project Fund and applied to the costs of the acquisition of the Projects.

(c) ~~(b)~~ The aggregate principal amount of the Series ~~2025B~~2025C Bonds, $[__], shall be delivered as part of the purchase price of the Projects.

Section 3.04 Medium of Payment; Form and Date; Letter and Numbers.

(a) The Bonds shall be payable, as to principal and interest in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest on the Bonds shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

(b) Each Bond shall be issued only as a fully registered Bond. Each Series 2025A Bond shall be substantially in the form of **Exhibit A** hereto, with such changes therein that are not inconsistent with this Bond Indenture. Each Series 2025B Bond shall be substantially in the form of **Exhibit B** hereto, with such changes therein that are not inconsistent with this Bond Indenture. Each Series 2025C Bond shall be substantially in the form of **Exhibit C** hereto, with such changes therein that are not inconsistent with this Bond Indenture.

(c) The Series 2025A Bonds shall be numbered consecutively from RA-1 upward, ~~and~~ the Series 2025B Bonds shall be numbered consecutively from RB-1 upward, and the Series 2025C Bonds shall be numbered consecutively from RC-1 upward, or in such other manner as the Issuer, with the concurrence of the Bond Trustee, shall determine. The Bond

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Trustee shall insert the date of authentication of each Bond in the place provided for such purpose in the form of certificate of authentication of the Bond Trustee to be printed on each Bond. If interest on the Bonds shall be in default, Bonds issued in exchange for Bonds surrendered for transfer or exchange shall be dated as of the date to which interest has been paid in full on the Bonds surrendered.

(d) The Series 2025A Bonds shall be dated the Closing Date, shall be issued in two series as set forth below, shall be current interest bonds issued as term bonds in Authorized Denominations, shall be issued at the annual interest rates set forth below, payable each January 1 and July 1, commencing January 1, 2026, and shall mature, subject to prior redemption, as follows:

Maturity Date	Principal Amount	Interest Rate
	$	%

(e) The Series 2025B Bonds shall be dated the Closing Date, shall be current interest bonds issued as term bonds in Authorized Denominations, shall be issued at the annual interest rate set forth below, payable each January 1 and July 1, commencing January 1, 2026, and shall mature, subject to prior redemption, as follows:

Maturity Date	Principal Amount	Interest Rate
	$	%

(f) ~~(e)~~ The Series ~~2025B~~2025C Bonds shall be dated the Closing Date, shall be current interest bonds issued as term bonds in Authorized Denominations, shall be issued at the annual interest rate set forth below, payable each January 1 and July 1, commencing January 1, 2026, but only to the extent funds are available to make such payments and, if not, such interest shall accrue but not compound, and shall mature, subject to prior redemption, as follows:

Maturity Date	Principal Amount	Interest Rate
	$	%

(g) ~~(f)~~ [Reserved].

(h) ~~(g)~~ [Reserved].

(i) ~~(h)~~ The following provisions apply to the Bonds except as otherwise provided in any arrangements with DTC as set forth in Section 3.14:

(1) interest on Bonds other than interest payable at maturity or on a Redemption Date shall be paid to the Person in whose name such Bond is registered on the Register at the close of business on the Record Date for such Interest Payment Date; payment of interest on Bonds other than interest payable at maturity or on a Redemption Date shall be made by check of the Bond Trustee mailed to the Owners thereof at their addresses set forth in the Register as of the Record Date, or by wire transfer to Owners of $1,000,000 or more in aggregate principal amount of Bonds at such wire transfer address in the United States as such Owner shall specify in writing requesting payment by wire transfer delivered to the Bond Trustee prior to the Record Date;

(2) payment of principal of Bonds at maturity or on a Redemption Date shall be paid upon presentation and surrender of such Bonds at the Bond Trustee's Designated Office; and

(3) no payment of principal shall be made on any Bond unless and until such Bond is tendered to the Bond Trustee for cancellation; provided, that the Bond Trustee may agree with any Owner that such Owner may, in lieu of surrendering the same for a new Bond, endorse on such Bond a record of partial payment of the principal of such Bond and the Bond Trustee will pay the principal of such Bond by wire transfer to such Owner in accordance with the wire transfer instructions provided to the Bond Trustee from time to time. The Bond Trustee shall maintain a record of each such partial payment made in accordance with the foregoing agreement and such record shall be conclusive. Such partial payment shall be valid upon payment of the amount thereof to the Owner of such Bond, and the Issuer and the Bond Trustee shall be fully released and discharged from all liability to the extent of such payment irrespective of whether such endorsement shall or shall not have been made upon such Bond by the Owner thereof and irrespective of any error or omission in such endorsement.

(j) ~~(i)~~ Notwithstanding any provision herein to the contrary, at no time, whether as a result of an Event of Default or otherwise, shall the interest on the Bonds exceed the Maximum Rate.

Section 3.05 Legends. The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Bond Indenture as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission, brokerage board, municipal securities rulemaking board, DTC operational procedures, the Act, the policies and procedures of the Issuer, or otherwise, including without limitation a legend setting forth the restrictions on transfer under Section 3.08.

Section 3.06 Execution and Authentication.

(a) The Bonds shall be signed in the name of the Issuer by an Authorized Issuer Representative or by his or her manual or facsimile signature. In case any such Authorized Issuer Representative which shall have signed any of the Bonds shall cease to hold

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such office before the Bonds so signed shall have been authenticated and delivered by the Bond Trustee, such Bonds may, nevertheless, be authenticated and delivered as herein provided, and may be issued as if the persons who signed such Bonds had not ceased to hold such offices. Any Bond of a Series may be signed on behalf of the Issuer by such persons who at the time of the execution of such Bonds shall be duly appointed as an Authorized Issuer Representative, although at the date borne by or of delivery of the Bond or Bonds of such Series such persons may not have been so appointed.

(b) Only such Bonds as shall have endorsed thereon a certificate of authentication, substantially in the form set forth in **Exhibit A** hereto with respect to the Series 2025A Bonds, **Exhibit B** hereto with respect to the Series 2025B Bonds and **Exhibit C** hereto with respect to the Series 2025C Bonds, dated as of the date of authentication and duly authenticated by the Bond Trustee shall be entitled to any right, security or benefit under this Bond Indenture. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Bond Trustee, and such executed certificate upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Bond Indenture and that the Owner thereof is entitled to the benefits of the trust hereby created. The Bond Trustee's certificate of authentication on any Bond shall be deemed to have been duly executed by it if (i) signed by an authorized officer or signatory of the Bond Trustee, but it shall not be necessary that the same officer or signatory sign the certificate of authentication on all of the Bonds or on all of the Bonds of any Series issued hereunder and (ii) the date of authentication of the Bond is inserted in the place provided therefor on the certificate of authentication.

Section 3.07 Exchange of Bonds. Unless otherwise provided in any Supplemental Bond Indenture, Bonds, upon surrender thereof at the designated office of the Registrar, when surrendered with a Request satisfactory to the Registrar duly executed by the Owner or the Owner's duly authorized attorney, may, at the option of the Owner thereof, and upon payment by such Owner of any charges which the Registrar or the Issuer may make as provided in Section 3.09, be exchanged for an equal aggregate principal amount of Bonds of the same Series, lien priority and maturity and in any Authorized Denomination.

Section 3.08 Negotiability, Transfer and Registry. Unless otherwise provided in any Supplemental Bond Indenture, Bonds shall be transferable only upon the Register, which shall be kept for that purpose at the designated office of the Registrar for such Series of Bonds, by the Owner thereof, in person or by the Owner's attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the Owner or the Owner's duly authorized attorney.

The Registrar shall keep or cause to be kept, on behalf of the Issuer, the Register, in which, subject to such reasonable regulations as the Issuer, the Bond Trustee, and the Registrar may prescribe, the Registrar shall cause Bonds to be registered and shall transfer Bonds as in this Article provided. The Register shall contain the name and address of the Owner of each Bond.

Upon the transfer of any such Bond and payment of any required fees, the Registrar shall issue in the name of the transferee a new fully registered Bond or Bonds of the same aggregate principal amount, Series, lien priority and maturity as the surrendered Bond.

The Issuer and the Bond Trustee may deem and treat the person in whose name any Bond shall be registered in the Register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price of and interest on such Bond and for all other purposes, and all such payments so made to any such Owner or upon the Owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and the Issuer and the Bond Trustee shall not be affected by any notice to the contrary.

Notwithstanding any provision of this Bond Indenture to the contrary, each initial Beneficial Owner of the ~~Series 2025A~~ Bonds shall be a Qualified Institutional Buyer or Accredited Investor, which initial Qualified Institutional Buyer or Accredited Investor has provided an Investor Letter to the Bond Trustee and Issuer upon its initial purchase of any ~~Series 2025A~~ Bond. Such Investor Letter shall be substantially in the form set forth in Exhibit ~~C~~D attached hereto.

~~Notwithstanding any provision of this Bond Indenture to the contrary, each initial Beneficial Owner of the Series 2025B Bonds shall be a Qualified Institutional Buyer or Accredited Investor, which initial Qualified Institutional Buyer or Accredited Investor has provided an Investor Letter to the Bond Trustee and Issuer upon its initial purchase of any Series 2025B Bond. Such Investor Letter shall be substantially in the form set forth in Exhibit C attached hereto.~~

Thereafter, the Bonds may only be sold or transferred in Authorized Denominations to Qualified Institutional Buyers or Accredited Investors which, with respect to the Series ~~2025B~~2025C Bonds only, have provided an Investor Letter substantially in the form set forth in Exhibit ~~C~~D attached hereto to the Bond Trustee and Issuer upon its purchase of such Series ~~2025B~~2025C Bond and, if such sale or transfer occurs prior to January 1, 2033, the purchaser or transferee of such Series ~~2025B~~2025C Bonds shall be Trinity Investors, LLC, a Texas limited liability company, or any successor or affiliate thereof; provided, however, in the event (i) the Bond Trustee and the Issuer have received an Investment Grade Notice, and (ii) the Trustee has received the authorization and direction of the Issuer to remove the above described transfer restrictions, the restrictions with respect to sale or transfer to Qualified Institutional Buyers and~~, with respect to the Series 2025A Bonds and the Series 2025B Bonds only,~~ Accredited Investors shall no longer apply during the Investment Grade Period. Notice of the foregoing restrictions shall be printed on each Bond.

Any purported transfer of a Bond in violation of the foregoing restrictions shall be void *ab initio*.

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Section 3.09 Exchanges and Transfers. Except as otherwise provided in any Supplemental Bond Indenture, in all cases in which the privilege of exchanging or transferring Bonds is exercised, the Issuer shall execute and the Bond Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Bond Indenture. All registered Bonds surrendered in any exchange or transfer shall forthwith be canceled by the Bond Trustee. For every such transfer of Bonds pursuant to Section 3.08, whether temporary or definitive, the Issuer, the Bond Trustee or the Registrar may make a charge sufficient to reimburse it or them for any expense, tax, fee or other governmental charge required to be paid with respect to such transfer. In addition, for every exchange of Bonds (other than the exchange of temporary Bonds for definitive Bonds), the Issuer, the Bond Trustee or the Registrar may make charges to cover the costs of printing Bonds including any Issuer's, Bond Trustee's or Registrar's charges in connection therewith. The payment of the sum or sums provided in this Section shall be made by the Owner requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Except as may be otherwise provided in a Supplemental Bond Indenture, the Registrar shall not be required to transfer or exchange Bonds for a period from the 15th day of the month next preceding any Interest Payment Date or Principal Payment Date of such Bond through such Interest Payment Date or Principal Payment Date nor to transfer or exchange any Bond after notice calling such Bond or portion thereof for redemption has been given as herein provided nor during the period of 15 days next preceding the giving of such notice.

Section 3.10 Conditions for Delivery of the Bonds. At any time after the execution and delivery of this Bond Indenture, the Issuer may execute and the Bond Trustee shall authenticate and, upon the order of the Issuer, deliver Bonds in the aggregate principal amount set forth in Section 3.01(a) hereof.

Prior to the delivery by the Bond Trustee of any of the Bonds, there shall be filed with the Bond Trustee:

(a) A copy of the resolution of the Governing Body of the Borrower authorizing the issuance of the Bonds and the execution and delivery of the Borrower Documents;

(b) A certified copy of the resolution(s) of the Issuer authorizing the issuance of the Bonds and the execution and delivery of the Loan Agreement and this Bond Indenture;

(c) A copy of the Loan Agreement and this Bond Indenture;

(d) A copy of the written request of and authorization by the Issuer to the Bond Trustee to authenticate and deliver the Bonds;

(e) The approving Opinion of Bond Counsel delivered in connection with the issuance of the Bonds and any reliance letter relating thereto;

(f) Executed and authenticated Obligations; and

(g) Executed Investor Letters from the initial purchasers substantially in the form attached hereto as Exhibit ~~C~~D, with such modifications as may be approved by the Issuer.

Section 3.11 Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bonds shall become mutilated or be destroyed, stolen or lost, the Issuer shall execute, and thereupon the Bond Trustee shall authenticate and deliver, a new Bond of like Series, lien priority, maturity date, principal amount and interest rate as the Bond so mutilated, lost, stolen or destroyed, provided that (a) in the case of any mutilated Bond, such Bond is first surrendered to the Bond Trustee, (b) in the case of any lost, stolen or destroyed Bond, there is first furnished evidence of such loss, theft or destruction satisfactory to the Bond Trustee together with indemnity satisfactory to the Bond Trustee, (c) all other requirements of the Issuer and the Bond Trustee are complied with, and (d) expenses in connection with such transaction are paid by the Owner. Except as provided in Section 3.09, all Bonds so surrendered to the Bond Trustee shall be canceled by it. Any such new Bonds issued pursuant to this Section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Issuer, whether or not the Bonds alleged to be destroyed, stolen or lost be at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits in the Revenues and other assets pledged under this Bond Indenture with all other Bonds issued under this Bond Indenture, to the same extent provided herein and subject to the terms and priority set forth herein. If, after the delivery of such new Bond, a bona fide purchaser of the original Bond in lieu of which such new Bond was issued presents for payment or registration such original Bond, the Bond Trustee shall be entitled to recover such new Bond from the Person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Issuer or the Bond Trustee in connection therewith.

Section 3.12 Temporary Bonds. Until the definitive Bonds of any Series are prepared, the Issuer may execute, in the same manner as is provided in Section 3.06, and, upon the Request of the Issuer, the Bond Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds except as to denomination, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in Authorized Denominations as provided herein or in a Supplemental Bond Indenture, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Issuer, at Borrower's expense, shall prepare and execute and, upon the surrender of such temporary Bonds, the Bond Trustee shall authenticate and, without charge to the Owner thereof, deliver in exchange therefor, definitive

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Bonds of the same aggregate principal amount and Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds authenticated and issued pursuant to this Bond Indenture.

If the Issuer shall authorize the issuance of temporary Bonds in more than one denomination, the Owner of any temporary Bond or Bonds may, at said Owner's option, surrender the same to the Bond Trustee in exchange for another temporary Bond or Bonds of like aggregate principal amount, Series, lien priority and maturity of any other Authorized Denomination or Denominations, and thereupon the Issuer shall execute and the Bond Trustee shall authenticate and, in exchange for the temporary Bond or Bonds so surrendered and upon payment of the taxes, fees and charges as provided for in Section 3.09, shall deliver a temporary Bond or Bonds of like aggregate principal amount, Series and maturity in such other Authorized Denomination or Denominations as shall be requested by such Owner.

All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith canceled by the Bond Trustee.

Section 3.13 Cancellation and Destruction of Bonds. Except as otherwise provided in this Bond Indenture or any Supplemental Bond Indenture, all Bonds paid in full, either at or before maturity, shall be delivered to the Bond Trustee when such payment or purchase is made, and such Bonds shall thereupon be promptly canceled. Bonds so canceled shall thereafter be treated in accordance with the Bond Trustee's document retention policies.

Section 3.14 Depository for the Bonds. (a) The Series 2025A Bonds ~~(~~and Series 2025B Bonds (collectively, the "Series 2025 DTC Bonds") shall be initially executed and delivered in the form of a separate, single, authenticated, fully registered bond for each separate stated maturity of each series of the Series 2025 DTC Bonds, each such bond to be in the full principal amount of such series of Series 2025 DTC Bonds with such stated maturity. Upon initial execution, authentication and delivery, the ownership of such Series 2025 DTC Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC, the Depository for the Series 2025 DTC Bonds. The Bond Trustee and the Issuer may treat DTC (or its nominee) as the sole and exclusive Owner of the Series 2025 DTC Bonds registered in its name for the purposes of payment of the principal of and interest on the Series 2025 DTC Bonds, selecting the Series 2025 DTC Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Owners of Series 2025 DTC Bonds under this Bond Indenture, registering the transfer of Series 2025 DTC Bonds, obtaining any consent or other action to be taken by the Owner of Series 2025 DTC Bonds and for all other purposes whatsoever, and neither the Bond Trustee nor the Issuer shall be affected by any notice to the contrary. Neither the Bond Trustee nor the Issuer shall have any responsibility or obligation to any Participant, any Person claiming a beneficial ownership interest in the Series 2025 DTC Bonds under or through DTC or any Participant, or any other Person, with respect to the accuracy of any records maintained by DTC or any Participant; the payment by DTC or any

Participant of any amount in respect of the principal of or interest on the Series 2025 DTC Bonds; any notice that is permitted or required to be given to the Owners of the Series 2025 DTC Bonds under this Bond Indenture; the selection by DTC or any Participant of any Person to receive payment in the event of a partial redemption of the Series 2025 DTC Bonds; or any consent given or other action taken by DTC (or its nominee) as the Owner of the Series 2025 DTC Bonds. So long as DTC (or its nominee) is the Owner of all Series 2025 DTC Bonds, the Bond Trustee shall pay all principal of, and interest on, the Series 2025 DTC Bonds only to DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to the principal of and interest on the Series 2025 DTC Bonds to the extent of the sum or sums so paid and all notices required to be sent to the Owners may be sent by electronic means. Except under the conditions specified in subsection (b) of this Section, no Person other than DTC or its nominee shall receive authenticated Series 2025 DTC Bonds. Upon delivery by DTC to the Bond Trustee of written notice to such effect, DTC may substitute a new nominee in place of Cede & Co., or any successor nominee, and subject to the provisions herein with respect to record dates, the term "Cede & Co." in this Bond Indenture shall refer to such new nominee of DTC.

(b) If (i) DTC or any successor as Depository for the Series 2025 DTC Bonds determines not to continue to act as Depository for such Bonds or (ii) the Issuer determines that the incumbent Depository for the Series 2025 DTC Bonds shall no longer so act, and the Issuer delivers a Certificate of an Authorized Issuer Representative to the Bond Trustee to that effect, then the Bond Trustee shall discontinue the book-entry system with the incumbent Depository for the Series 2025 DTC Bonds. If the Bond Trustee determines to replace the incumbent Depository for the Series 2025 DTC Bonds with another Depository, the Bond Trustee shall prepare or direct the preparation of a new single, separate fully registered Series 2025 DTC Bond for the aggregate outstanding principal amount of Series 2025 DTC Bonds of each maturity to be registered in the name of such successor Depository, or its nominee, or make such other arrangements acceptable to the Issuer, the Bond Trustee and the successor Depository for the Series 2025 DTC Bonds as are not inconsistent with the provisions of this Bond Indenture. If the Bond Trustee fails to identify a successor Depository for the Series 2025 DTC Bonds to replace the incumbent Depository, then the Series 2025 DTC Bonds shall no longer be restricted to being registered in the bond register in the name of the incumbent Depository or its nominee, but shall be registered in whatever name or names the incumbent Depository for the Series 2025 DTC Bonds, or its nominee, shall designate in accordance with the provisions of subsection (a) of this Section. In such event the Issuer shall, at Borrower's expense, prepare, execute and deliver a sufficient quantity of Series 2025 DTC Bonds to the Bond Trustee for authentication and delivery at the Direction of the Issuer to carry out the transfers and exchanges provided in this Section and Section 3.09. All such Series 2025 DTC Bonds shall be in fully registered form in Authorized Denominations.

(c) Notwithstanding any other provision of this Bond Indenture to the contrary, so long as any Bond is registered in the name of DTC, or its nominee, all payments

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with respect to principal of and interest on, such Bond, and all notices with respect to such Bond, shall be made and given, respectively, as appropriate or necessary with respect to the arrangements made with DTC relating to the Bonds.

(d) In connection with any notice or other communication to be provided to Owners of the Series 2025 DTC Bonds pursuant to this Bond Indenture by the Issuer or the Bond Trustee with respect to any consent or other action to be taken by Owners of the Series 2025 DTC Bonds, the Issuer or the Bond Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than 15 calendar days in advance of such record date to the extent practicable.

ARTICLE IV

REDEMPTION OF BONDS

Section 4.01 Privilege of Redemption and Redemption Price. Bonds subject to redemption prior to maturity shall be redeemable, upon notice as provided in this Article on such Redemption Dates, at such Redemption Prices and upon such terms, as may be specified herein.

Section 4.02 Redemption at the Option of the Issuer.

(a) The Series 2025A Bonds shall be subject to redemption at the option of the Issuer as directed by the Borrower, in whole or in part on any date on or after _____ 1, 2035, from any legally available funds, at a Redemption Price equal to 100% of the principal amount of Series 2025A Bonds called for redemption, without premium, plus accrued interest with respect thereto to the date fixed for redemption.

(b) The Series 2025B Bonds shall be subject to redemption at the option of the Issuer as directed by the Borrower, in whole or in part on any date on or after _____, 20__, from any legally available funds, at a Redemption Price equal to ____% of the principal amount of Series 2025B Bonds called for redemption, without premium, plus accrued interest with respect thereto to the date fixed for redemption.

(c) ~~(b)~~ The Series ~~2025B~~2025C Bonds shall be subject to redemption at the option of the Issuer as directed by the Borrower, in whole or in part on any date, from any legally available funds on deposit in the ~~Junior~~Third Lien Redemption Account of the Debt Service Fund, at a Redemption Price equal to 100% of the principal amount of Series ~~2025B~~2025C Bonds called for redemption, without premium, plus accrued interest with respect thereto to the date fixed for redemption; provided, however, at no time while the Series 2025A Bonds and the Series 2025B Bonds remain Outstanding shall the Series ~~2025B~~2025C Bonds be redeemed pursuant to this paragraph (~~b~~c) in an amount that would result in the principal amount of Series ~~2025B~~2025C Bonds Outstanding following such redemption to be less than the total amount necessary for such Series ~~2025B~~2025C Bonds to represent a lower proportionate amount of the

total Series 2025 Bonds Outstanding than the Series ~~2025B~~2025C Bonds represented on the Closing Date (*i.e.*, if, on the Closing Date, the Series ~~2025B~~2025C Bonds represented 10% of the total amount of the Series 2025 Bonds, the Series ~~2025B~~2025C Bonds must remain Outstanding in an amount sufficient to represent at least 10% of the Outstanding Series 2025 Bonds Outstanding at any time until such time as the Series 2025A Bonds and the Series 2025B Bonds are no longer Outstanding).

(d) ~~(c)~~ In the case of any redemption of Bonds at the option of the Issuer as directed by the Borrower, an Authorized Representative of the Borrower shall give written notice to the Bond Trustee and the Issuer at the Direction of the Borrower to so redeem, of the Redemption Date, of the Series, and of the principal amounts of the Bonds of each maturity of such Series to be redeemed (which Series, maturities, and principal amounts thereof to be redeemed shall be determined by the Issuer in its sole discretion, subject to any limitations with respect thereto as are contained in Section 4.04 hereof). Such notice shall be given at least ten Business Days prior to the date on which notice of redemption is required to be given to the Owners of the Bonds to be redeemed or within such shorter period as shall be provided by Supplemental Bond Indenture or consented to by the Bond Trustee. On or prior to any Redemption Date, there shall be paid to the Bond Trustee for deposit into the appropriate Redemption Account an amount which, in addition to other moneys, if any, available therefor held by the Bond Trustee, will be sufficient to redeem on the Redemption Date at the Redemption Price, plus interest accrued and unpaid to the Redemption Date, all of the Bonds called for redemption. Upon such written Direction by the Borrower to the Bond Trustee, the Issuer shall be deemed, without any further action on the Issuer's part, to have exercised its option to redeem the Bonds under this Section.

Section 4.03 Redemption Other Than at the Option of the Issuer.

(a) *Sinking Fund Redemption.*

(1) The Series 2025A Bonds are subject to mandatory redemption, at a Redemption Price equal to the principal amount of the Series 2025A Bonds being redeemed, together with accrued interest thereon to the Redemption Date, pursuant to Mandatory Sinking Fund Installments on January 1 in each of the years and principal amounts set forth in the tables below, except that the Mandatory Sinking Fund Installments of Series 2025A Bonds shall be reduced in chronological order by the principal amount of any Series 2025A Bonds redeemed pursuant to any other optional or mandatory redemption provision on or before the date on which any such Mandatory Sinking Fund Installment is due:

(i) The Series 2025A Bonds maturing on January 1, 20__, are subject to mandatory redemption from Mandatory Sinking Fund Installments in the following amounts on January 1 of each year as follows:

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Date	Mandatory Sinking Fund Installment $	Date	Mandatory Sinking Fund Installment $

(2) The Series 2025B Bonds are subject to mandatory redemption, at a Redemption Price equal to the principal amount of the Series 2025B Bonds being redeemed, together with accrued interest thereon to the Redemption Date, pursuant to Mandatory Sinking Fund Installments on January 1 in each of the years and principal amounts set forth in the tables below, except that the Mandatory Sinking Fund Installments of Series 2025B Bonds shall be reduced in chronological order by the principal amount of any Series 2025B Bonds redeemed pursuant to any other optional or mandatory redemption provision on or before the date on which any such Mandatory Sinking Fund Installment is due:

(i) The Series 2025B Bonds maturing on January 1, 20__, are subject to mandatory redemption from Mandatory Sinking Fund Installments in the following amounts on January 1 of each year as follows:

Date	Mandatory Sinking Fund Installment $	Date	Mandatory Sinking Fund Installment $

(3) ~~(2)~~ The Series ~~2025B~~2025C Bonds are not subject to mandatory redemption from Mandatory Sinking Fund Installments.

(b) *Extraordinary Redemption.*

(1) The Bonds shall be subject to extraordinary redemption, in whole or in part, on any date, at a Redemption Price equal to the principal amount of Bonds to be redeemed plus interest accrued thereon, if applicable, to the date fixed for redemption, without premium, from proceeds of insurance (including any title insurance), or condemnation awards permitted or required to be applied to prepayments under the Loan Agreement, Master Trust Indenture and Supplemental MTIs. The Bonds and particular maturities thereof to be redeemed shall be selected pursuant to a Direction of the Borrower, based upon the advice of Bond Counsel.

(2) The Tax-Exempt Bonds, other than any Tax-Exempt Bonds that are Series ~~2025B~~2025C Bonds, shall be subject to extraordinary mandatory redemption, in whole or in part, on any date not later than one hundred days following a Determination of Taxability. If such Tax-Exempt Bonds are be redeemed in part, such Tax-Exempt Bonds and maturities thereof to be redeemed shall be selected pursuant to a Direction of the Borrower, together with an Opinion of Bond Counsel to the effect that such redemption will not, in and of itself, adversely affect the exclusion from gross income of interest on the Tax-Exempt Bonds remaining Outstanding, other than any Tax-Exempt Bonds that are Series ~~2025B~~2025C Bonds, after such

redemption for federal income tax purposes. The Redemption Price for the Tax-Exempt Bonds shall be equal to 105% of the principal amount of Tax-Exempt Bonds called for redemption plus accrued interest with respect thereto to the date fixed for redemption.

(c) *Surplus Cash Flow Redemption*.

(1) The Series 2025A Bonds shall be subject to redemption in inverse order of maturity on each July 1 on and after July 1, 2028, in an amount equal to the amount set forth in the written notice delivered to the Bond Trustee by the Obligated Group Representative pursuant to Section 4.05(e) of the Master Indenture, at a Redemption Price equal to the principal amount of Series 2025A Bonds to be redeemed, without premium, plus accrued interest with respect thereto to the date fixed for redemption.

(2) The Series 2025B Bonds shall be subject to redemption in inverse order of maturity on each July 1 on and after July 1, 2028, in an amount equal to the amount set forth in the written notice delivered to the Bond Trustee by the Obligated Group Representative pursuant to Section 4.09(e) of the Master Indenture, at a Redemption Price equal to the principal amount of Series 2025B Bonds to be redeemed, without premium, plus accrued interest with respect thereto to the date fixed for redemption.

Section 4.04 Selection of Bonds to be Redeemed. If less than all of the Bonds of a single maturity within the same Series are to be redeemed, the Bonds of such Series to be redeemed will be selected by lot or other random method by the Bond Trustee in such a manner as the Bond Trustee may determine; provided, that the portion of any Bond of a Series of a denomination greater than the minimum Authorized Denomination for the Bonds of such Series to be redeemed shall be redeemed in part only in an Authorized Denomination and that, in selecting portions of Bonds of a Series for redemption, the Bond Trustee shall treat each Bond of such Series as representing that number of Bonds of the minimum Authorized Denomination for such Series which is obtained by dividing the principal amount of such Bond to be redeemed in part by the minimum Authorized Denomination for such Series.

Section 4.05 Notice of Redemption.

(a) Notice of mandatory and optional redemption of Bonds shall be given in accordance with this Section. When the Bond Trustee and the Issuer shall have received from the Borrower a Direction to redeem Bonds or when the Bonds are redeemable pursuant to Section 4.03(a) or Section 4.03(c), the Bond Trustee shall give notice, in the name of the Issuer, of the redemption of such Bonds, which notice shall specify the Series and maturities of the Bonds to be redeemed, the Redemption Date and the place or places where amounts due upon such Redemption Date will be payable and, if less than all of the Bonds of any like Series and maturity are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds so to be redeemed, and, in the case of Bonds to be redeemed in part only, such notices shall also specify the respective portions of the principal amounts thereof to be redeemed. Such notice

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may state that it is conditional and that any redemption under Section 4.02 hereof shall be made only from and to the extent of funds on deposit with the Bond Trustee and available for such purpose on the Redemption Date. Such notice shall further state that on such Redemption Date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof, in the case of Bonds to be redeemed in part only, together with interest accrued to the Redemption Date, and that from and after such date interest thereon shall cease to accrue and be payable. The Bond Trustee shall mail a copy of such notice, first class mail postage prepaid, not less than 30 days nor more than 60 days before the Redemption Date (or such shorter period as shall be provided by Supplemental Bond Indenture), to the Owners of any registered Bonds, or portions of registered Bonds that are to be redeemed, at their last addresses, if any, appearing upon the Register. Upon the delivery of such written Direction by the Borrower to the Bond Trustee, the Issuer shall be deemed, without any action on the Issuer's part, to have exercised its option to redeem the Bonds under this Article.

(b) In addition to the notice of redemption required pursuant to the preceding paragraph, upon the Direction of the Borrower received at least 35 days before the date fixed for redemption by the Bond Trustee, the Bond Trustee shall also give redemption notice at least 30 days before the date fixed for redemption, by (i) registered or certified mail, return receipt requested, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to the Securities Depositories.

(c) The Borrower may, at its option at least 5 days prior to the date fixed for redemption in any notice of redemption, rescind and cancel such notice of redemption by Request to the Bond Trustee, with a copy to the Issuer, and the Bond Trustee shall distribute, in the same manner as the original notice, notice of such cancellation to the recipients of the notice of redemption being cancelled.

(d) Failure to give the notices described in this Section, or any defects therein, shall not in any manner affect the validity of any proceedings for redemption of any other Bonds for which such notice has been duly given, or for the rescission of such redemption notice. Neither the Issuer nor the Bond Trustee shall have any responsibility for any defect in the CUSIP number that appears on any Bonds or in any redemption notice with respect thereto, and any such redemption notice may contain a statement to the effect that CUSIP numbers have been assigned by an independent service for convenience of reference and that neither the Issuer nor the Bond Trustee shall be liable for any inaccuracy in such numbers.

(e) Except with respect to a mandatory redemption pursuant to Section 4.03(a) hereof, in the event of any redemption of Bonds hereunder, the Bond Trustee shall provide written notice to the Issuer of such redemption with the information specified in Section 4.05(a).

Section 4.06 Payment of Redeemed Bonds. Notice having been given in the manner provided in Section 4.05, the Bonds or portions thereof so called for redemption shall become due and payable on the Redemption Date so designated at the Redemption Price, plus interest accrued and unpaid to the Redemption Date, and upon presentation and surrender thereof at the office specified in such notice. If there shall be called for redemption less than all of the principal of any Bond, the Issuer shall execute and the Bond Trustee shall authenticate, upon the surrender of such Bond, without charge to the Owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered, Bonds of like Series and maturity in any Authorized Denomination. If, on the Redemption Date, moneys for the redemption of all the Bonds or portions thereof of any like Series and maturity to be redeemed, together with interest to the Redemption Date, shall be held by the Bond Trustee so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the Redemption Date interest on the Bonds or portions thereof of such Series and maturity so called for redemption shall cease to accrue and become payable. If such moneys shall not be so available on the Redemption Date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne interest at had they not been called for redemption.

ARTICLE V

PLEDGE AND ASSIGNMENT; ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 5.01 Security for Bonds.

(a) Subject only to the provisions of this Bond Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, there are hereby pledged to secure the payment of the principal of, Redemption Price, if any, and interest on the Senior Lien Bonds, and subject to the priority of the Senior Lien Bonds over the Junior Lien Bonds and the Third Lien Bonds, to secure the payment of the principal of, Redemption Price, if any, and interest on the Junior Lien Bonds, and subject to the priority of the Junior Lien Bonds over the Third Lien Bonds, to secure the payment of the principal of, Redemption Price, if any, and interest on the Third Lien Bonds, in accordance with their terms and the provisions of this Bond Indenture, all of the (i) Revenues and (ii) any other amounts (including proceeds of the sale of Bonds, but excluding payments made pursuant to Issuer's Reserved Rights) held by the Bond Trustee in any Fund or Account established pursuant to this Bond Indenture (other than the Rebate Fund).

(b) The Issuer hereby transfers in trust, grants a security interest in and assigns to the Bond Trustee in trust, for the benefit of the Holders from time to time of the Bonds, all of the Revenues and other assets pledged in subsection (a) of this Section and all of the right, title and interest of the Issuer in the Loan Agreement (except for Issuer's Reserved Rights) and the Obligations (collectively, the "Trust Estate"). The Issuer will cause the Obligations to be

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registered in the name of the Bond Trustee. The assignment hereunder is to the Bond Trustee solely in its capacity as Bond Trustee hereunder and subject to the provisions of this Bond Indenture and in taking or refraining from taking any action under the Loan Agreement pursuant to such assignment, the Bond Trustee shall be entitled to all of the rights, protections and limitations from liability afforded it as Bond Trustee under this Bond Indenture. Subject to the foregoing, the Bond Trustee shall be entitled to and shall, subject to the provisions of this Bond Indenture, take all steps, actions and proceedings reasonably necessary in its judgment to enforce all of the rights of the Issuer and all of the obligations of the Borrower under the Loan Agreement and the Obligations, other than Issuer's Reserved Rights.

(c) Except as otherwise explicitly provided in this Bond Indenture, all Revenues shall be promptly deposited by the Bond Trustee upon receipt thereof in the Revenue Fund which the Bond Trustee shall establish, maintain and hold in trust, except as otherwise provided in Sections 5.08 and 5.09 and except that all moneys received by the Bond Trustee and required by the Loan Agreement to be deposited in the Redemption Accounts shall be promptly deposited in such Accounts. All Revenues deposited with the Bond Trustee shall be held, disbursed, allocated and applied by the Bond Trustee only as provided in this Bond Indenture.

SUBJECT ONLY TO THE RIGHTS OF THE ISSUER TO APPLY AMOUNTS UNDER THE PROVISIONS OF THIS BOND INDENTURE, THE PLEDGE AND ASSIGNMENT MADE UNDER THIS SECTION 5.01 SHALL IMMEDIATELY ATTACH THERETO AND SHALL BE EFFECTIVE, BINDING AND ENFORCEABLE FROM AND AFTER THE TIME OF THE DELIVERY BY THE BOND TRUSTEE OF THE FIRST BONDS AUTHENTICATED AND DELIVERED UNDER THIS BOND INDENTURE. THE SECURITY SO PLEDGED AND ANY ASSIGNMENT THEN OR THEREAFTER RECEIVED BY BOND TRUSTEE FROM THE ISSUER AS SECURITY FOR THE BONDS SHALL IMMEDIATELY BE SUBJECT TO THE LIEN OF SUCH PLEDGE AND ASSIGNMENT AND THE LIEN OF SUCH PLEDGE AND ASSIGNMENT SHALL BE VALID AND BINDING AGAINST THE ISSUER, PURCHASERS THEREOF, CREDITORS AND ALL OTHER PARTIES HAVING CLAIMS AGAINST THE ISSUER IRRESPECTIVE OF WHETHER SUCH PARTIES HAVE NOTICE THEREOF AND WITHOUT THE NEED FOR ANY PHYSICAL DELIVERY, RECORDATION, FILING, OR FURTHER ACT.

Section 5.02 Establishment of Funds and Accounts. The Issuer hereby directs the Bond Trustee to establish the following Funds and Accounts, all of which shall be held by the Bond Trustee:

(a) "Project Fund," and within such fund a "Costs of Issuance Account", a "Series 2025A Capitalized Interest Account", a "Series 2025B Capitalized Interest Account" and an "Acquisition Account" ~~and a "Construction Account"~~;

(b) "Revenue Fund";

(c) "Debt Service Fund," and within such fund a "Senior Lien Interest Account", "Senior Lien Principal Account", a "Senior Lien Redemption Account", a "Junior Lien Interest Account", "Junior Lien Principal Account" ~~and~~, a "Junior Lien Redemption Account", a "Third Lien Interest Account", "Third Lien Principal Account" and a "Third Lien Redemption Account";

(d) "Senior Lien Debt Service Reserve Fund"~~; and~~

(e) "Junior Lien Debt Service Reserve Fund"; and

(f) ~~(c)~~ "Rebate Fund".

At the Direction of the Issuer or the Borrower, the Bond Trustee may create any other Funds or Accounts hereunder, to be held in trust for the benefit of the Owners of the Bonds, to carry out the purposes of this Bond Indenture; provided, that the creation of any such Funds or Accounts shall not adversely affect the rights of any Owner or affect the rights and obligations of the Bond Trustee or the Issuer or Issuer Indemnified Parties, without the prior written consent of the Controlling Party or the Issuer, as the case may be, and provided that the Issuer will cause to be delivered to the Bond Trustee an opinion of counsel confirming the creation of such Fund or Account will not, in and of itself, cause the interest on any of the Tax-Exempt Bonds to become includable in gross income for federal income tax purposes.

Section 5.03 Project Fund.

(a) The Bond Trustee shall deposit into the accounts of the Project Fund the amounts required to be so deposited by Section 3.03.

(b) On the Closing Date, the Bond Trustee shall transfer from the Acquisition Account of the Project Fund, $[__] at the Direction of the Borrower for the acquisition of the Projects.

(c) On the Closing Date, the Bond Trustee shall transfer from the Costs of Issuance Account of the Project Fund, $[__] at the Direction of the Borrower to pay Costs of Issuance.

(d) On the last Business Day prior to each Interest Payment Date occurring on January 1, 2026, July 1, 2026 and July 1, 2027, the Bond Trustee shall transfer the amount set forth below with respect to such date from the Series 2025A Capitalized Interest Account to the Senior Lien Interest Account of the Debt Service Fund for the payment of interest on the Series 2025A Bonds:

Interest Payment Date	Amount to be transferred
January 1, 2026	$
July 1, 2026	

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July 1, 2027	

(e) On the last Business Day prior to each Interest Payment Date occurring on January 1, 2026, July 1, 2026 and July 1, 2027, the Bond Trustee shall transfer the amount set forth below with respect to such date from the Series 2025B Capitalized Interest Account to the Senior Lien Interest Account of the Debt Service Fund for the payment of interest on the Series 2025B Bonds:

Interest Payment Date	Amount to be transferred
January 1, 2026	$
July 1, 2026	
July 1, 2027	

(g) ~~(e)~~ To the extent that any funds remain on deposit in the Acquisition Account or the Costs of Issuance Account of the Project Fund on [_____, 2025], the Bond Trustee shall promptly transfer such funds to the Senior Lien Interest Account of the Debt Service Fund.

Section 5.04 Deposit to Revenue Fund; Flow of Funds. Subject to Section 5.01(c), Section 5.08 and Section 5.09, all Revenues received by the Bond Trustee shall be deposited into the Revenue Fund.

Except as otherwise provided in Sections 5.06 and 9.05 hereof, promptly after receipt of any funds into the Revenue Fund, but in any event within two (2) Business Days of such receipt, the Bond Trustee shall make the deposits, transfers or payments indicated below from amounts then on deposit in the Revenue Fund, in the priority listed below, the requirements of each fund, deposit, transfer or payment of each priority to be fully satisfied, leaving no deficiencies, prior to any deposit, transfer or payment later in priority, unless as otherwise expressly provided below and, in each case, taking into account any funds already on deposit in such fund:

First, to the Senior Lien Interest Account of the Debt Service Fund, an amount equal to the interest to become due and payable on each Series of Outstanding Senior Lien Bonds, on the next Interest Payment Date, taking into account any funds on deposit in a Capitalized Interest Account scheduled to be transferred prior to such Interest Payment Date pursuant to Section 5.03;

Second, with respect to each deposit made in January, commencing with the deposit made in January 20__, to the Senior Lien Principal Account of the Debt Service Fund, an amount equal to the principal or Mandatory Sinking Fund Installments on each Series of Outstanding Senior Lien Bonds Outstanding payable on the next Principal Payment Date;

Third, to the Junior Lien Interest Account of the Debt Service Fund, an amount equal to the interest to become due and payable on each Series of Outstanding Junior

Lien Bonds, on the next Interest Payment Date~~; and~~, taking into account any funds on deposit in a Capitalized Interest Account scheduled to be transferred prior to such Interest Payment Date pursuant to Section 5.03;

Fourth, with respect to each deposit made in January, commencing with the deposit made in January 20__, to the Junior Lien Principal Account of the Debt Service Fund, an amount equal to the principal or Mandatory Sinking Fund Installments on each Series of Outstanding Junior Lien Bonds Outstanding payable on the next Principal Payment Date;

Fifth, to the Third Lien Interest Account of the Debt Service Fund, an amount equal to the interest to become due and payable on each Series of Outstanding Third Lien Bonds, on the next Interest Payment Date; and

~~*Fourth*~~*Sixth*, (i) with respect to each deposit made prior to January 20__, to the ~~Junior~~Third Lien Redemption Account of the Debt Service Fund, any remaining amounts on deposit in the Revenue Fund, and (ii) with respect to the deposit made in January 20__, to the ~~Junior~~Third Lien Principal Account of the Debt Service Fund.

Section 5.05 Debt Service Fund.

(a) The Bond Trustee shall pay out of the appropriate Account of the Debt Service Fund on or before each Interest Payment Date for any of the Bonds the amount required for the interest payment on such Interest Payment Date, and shall pay out of the appropriate Account of the Debt Service Fund on or before each Principal Payment Date, the amount required for the Principal Payment due on such due date.

(b) The Bond Trustee shall apply amounts in the Debt Service Account for a particular Series of Bonds of the Debt Service Fund only to the payment of Debt Service on the Bonds of the same Series designation. If any amounts remain on deposit in the Debt Service Account when there are no Bonds Outstanding, the Bond Trustee shall transfer such amounts to the Revenue Fund.

Section 5.06 Rebate Fund.

(a) The Bond Trustee shall establish and maintain a fund separate from any other fund established and maintained hereunder designated as the Rebate Fund. Within the Rebate Fund, the Bond Trustee shall maintain such accounts as shall be specified by Borrower in order to comply with the Tax Agreement. Subject to the transfer provisions provided in paragraph (e) below, all money at any time deposited in the Rebate Fund shall be held by the Bond Trustee in trust, to the extent required to satisfy the Rebate requirement (as shall be further described and defined in the Tax Agreement, the "Rebate Requirement"), for payment to the federal government of the United States of America. The Issuer, Borrower and the Holder of any

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Bonds shall have no rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Section, by Section 6.03 and by the Tax Agreement (which is incorporated herein by reference). The Bond Trustee shall be deemed conclusively to have complied with such provisions if it follows the written Directions of Borrower including supplying all necessary information in the manner provided in the Tax Agreement, and shall have no liability or responsibility to enforce compliance by Borrower or the Issuer with the terms of the Tax Agreement.

(b) Upon Borrower's written Direction, an amount shall be deposited to the Rebate Fund by the Bond Trustee from transfers pursuant to the Master Trust Indenture, if and to the extent required, so that the balance in the Rebate Fund shall equal the Rebate Requirement. Computations of the Rebate Requirement shall be furnished by or on behalf of Borrower in accordance with the Tax Agreement.

(c) The Bond Trustee shall have no obligation to rebate any amounts required to be rebated pursuant to this Section, other than from moneys held in the Rebate Fund or provided to it by Borrower. The Bond Trustee may rely conclusively upon Borrower's determinations, calculations and certifications required by this Section. The Bond Trustee shall have no responsibility to independently make any calculation or determination or to review Borrower's calculations hereunder.

(d) At the written Direction of Borrower, the Bond Trustee shall invest all amounts held in the Rebate Fund in Investment Securities, subject to the restrictions set forth in the Tax Agreement. The Bond Trustee shall not be liable for any consequences arising from such investment. Money shall not be transferred from the Rebate Fund except as provided in subsection (e) below.

(e) Upon receipt of Borrower's written Directions, the Bond Trustee shall remit part or all of the balances in the Rebate Fund to the United States of America, as so directed and provide notice of such payment to the Issuer. In addition, if Borrower so directs, the Bond Trustee will deposit money into or transfer money out of the Rebate Fund from or into such accounts or funds as directed by Borrower's written Directions; provided that any direction to transfer money out of the Rebate Fund is accompanied by a Certificate of Borrower delivered to the Bond Trustee and the Issuer to the effect that it has calculated the current rebate liability, if any, and has determined that the amount remaining in the Rebate Fund after such transfer will be sufficient to discharge such liability. Any funds remaining in the Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any Rebate Requirement, or provision made therefor satisfactory to the Bond Trustee, and payment of any amounts then owed to the Issuer and the Bond Trustee, shall be withdrawn and remitted to Borrower.

(f) Notwithstanding any other provision of this Bond Indenture, including in particular Article X, the obligation to remit the Rebate Requirement to the United States of

America and to comply with all other requirements of this Section, Section 6.03 and the Tax Agreement shall survive the defeasance or payment in full of the Bonds.

Section 5.07 Redemption Accounts.

(a) The Bond Trustee shall deposit in the Senior Lien Redemption Account ~~and,~~ the Junior Lien Redemption Account and the Third Lien Redemption Account the amounts received from the Master Trustee pursuant to Section 3.04 of the Master Trust Indenture and shall apply such amounts to the redemption of Bonds pursuant to Section 4.03(b)(1) hereof. The amounts to be deposited in the Senior Lien Redemption Account ~~and,~~ the Junior Lien Redemption Account and the Third Lien Redemption Account shall be set forth in the Direction of the Borrower delivered in connection with such redemption.

(b) The Bond Trustee shall deposit in the Senior Lien Redemption Account ~~and,~~ the Junior Lien Redemption Account and the Third Lien Redemption Account the amounts received in connection with the redemption of Bonds pursuant to Section 4.03(b)(2) hereof and shall apply such amounts to such redemption. The amounts to be deposited in the Senior Lien Redemption Account ~~and,~~ the Junior Lien Redemption Account and the Third Lien Redemption Account shall be set forth in the Direction of the Borrower delivered in connection with such redemption.

(c) The Bond Trustee shall deposit in the Senior Lien Redemption Account ~~and,~~ the Junior Lien Redemption Account and the Third Lien Redemption Account prepayments received from the Borrower pursuant to Section 3.3 of the Loan Agreement and, pursuant to Section 4.02, shall apply such amounts to the redemption of Bonds pursuant to a Direction of the Borrower.

(d) The Bond Trustee shall deposit in the Senior Lien Redemption Account the amounts received from the Master Trustee pursuant to Section 4.05(e) of the Master Trust Indenture and shall apply such amounts to the redemption of Bonds pursuant to Section 4.03(c)(1) hereof.

(e) The Bond Trustee shall deposit in the Junior Lien Redemption Account the amounts received from the Master Trustee pursuant to Section 4.09(f) of the Master Trust Indenture and shall apply such amounts to the redemption of Bonds pursuant to Section 4.03(c)(2) hereof.

Section 5.08 Senior Lien Debt Service Reserve Fund.

(a) On the Closing Date, the Senior Lien Debt Service Reserve Fund Requirement shall be satisfied by a deposit of $[_____] into the Senior Lien Debt Service Reserve Fund pursuant to Section 3.03 of this Bond Indenture. The Bond Trustee shall apply amounts from the Senior Lien Debt Service Reserve Fund to the extent necessary to cure any

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deficiency in the deposits to the Senior Lien Interest Account of the Debt Service Fund or the Senior Lien Principal Account of the Debt Service Fund pursuant to Section 5.04. Notwithstanding anything herein to the contrary, the Senior Lien Debt Service Reserve Fund shall only secure the Series 2025A Bonds.

(b) Subject to the provisions of Section 6.03 relating to the valuation and application of interest earnings, if on the last Business Day of the month preceding each Interest Payment Date the amount on deposit in the Senior Lien Debt Service Reserve Fund shall exceed the Senior Lien Debt Service Reserve Fund Requirement, the Bond Trustee shall deposit such excess amounts in the Senior Lien Interest Account of the Debt Service Fund.

(c) In the event of an insufficiency in the Senior Lien Debt Service Reserve Fund following a valuation thereof pursuant to Section 6.04(d), the Bond Trustee shall notify the Master Trustee of such insufficiency and the amount needed to restore the Senior Lien Debt Service Reserve Fund to the Senior Lien Debt Service Reserve Fund Requirement, and deposit funds received from the Master Trustee pursuant to Section 4.03(c) of the Master Trust Indenture to restore the amount on deposit to equal the Senior Lien Debt Service Reserve Fund Requirement.

(d) In the event of a draw on the Senior Lien Debt Service Reserve Fund, the Bond Trustee shall promptly provide written notice to the Master Trustee of such draw and the amount needed to restore the Senior Lien Debt Service Reserve Fund to the Senior Lien Debt Service Reserve Fund Requirement and shall deposit funds received from the Master Trustee pursuant to Section 4.03(c) of the Master Trust Indenture to restore the amount on deposit in the Senior Lien Debt Service Reserve Fund to an amount equal to the Senior Lien Debt Service Reserve Fund Requirement.

(e) On any Interest Payment Date (including a date on which the Senior Lien Bonds are subject to mandatory or optional redemption), if the amount in the Senior Lien Debt Service Reserve Fund together with any funds then on deposit in the Senior Lien Interest Account of the Debt Service Fund, the Senior Lien Principal Account of the Debt Service Fund and the Senior Lien Redemption Account is sufficient to pay the principal of, premium, if any, and interest on all Outstanding Senior Lien Bonds, as applicable, the money in the Senior Lien Debt Service Reserve Fund, the Senior Lien Interest Account of the Debt Service Fund and the Senior Lien Principal Account of the Debt Service Fund may be transferred at the written direction of Borrower to the Senior Lien Redemption Account and used for such purpose.

Section 5.09 Junior Lien Debt Service Reserve Fund.

(a) On the Closing Date, the Junior Lien Debt Service Reserve Fund Requirement shall be satisfied by a deposit of $[_____] into the Junior Lien Debt Service Reserve Fund pursuant to Section 3.03 of this Bond Indenture. The Bond Trustee shall apply amounts from the Junior Lien Debt Service Reserve Fund to the extent necessary to cure any

deficiency in the deposits to the Junior Lien Interest Account of the Debt Service Fund or the Junior Lien Principal Account of the Debt Service Fund pursuant to Section 5.04. Notwithstanding anything herein to the contrary, the Junior Debt Service Reserve Fund shall only secure the Series 2025B Bonds.

(b) Subject to the provisions of Section 6.03 relating to the valuation and application of interest earnings, if on the last Business Day of the month preceding each Interest Payment Date the amount on deposit in the Junior Lien Debt Service Reserve Fund shall exceed the Junior Lien Debt Service Reserve Fund Requirement, the Bond Trustee shall deposit such excess amounts in the Junior Lien Interest Account of the Debt Service Fund.

(c) In the event of an insufficiency in the Junior Lien Debt Service Reserve Fund following a valuation thereof pursuant to Section 6.04(d), the Bond Trustee shall notify the Master Trustee of such insufficiency and the amount needed to restore the Junior Lien Debt Service Reserve Fund to the Junior Lien Debt Service Reserve Fund Requirement, and deposit funds received from the Master Trustee pursuant to Section 4.03(c) of the Master Trust Indenture to restore the amount on deposit to equal the Junior Lien Debt Service Reserve Fund Requirement.

(d) In the event of a draw on the Junior Lien Debt Service Reserve Fund, the Bond Trustee shall promptly provide written notice to the Master Trustee of such draw and the amount needed to restore the Junior Lien Debt Service Reserve Fund to the Junior Lien Debt Service Reserve Fund Requirement and shall deposit funds received from the Master Trustee pursuant to Section 4.03(c) of the Master Trust Indenture to restore the amount on deposit in the Junior Lien Debt Service Reserve Fund to an amount equal to the Junior Lien Debt Service Reserve Fund Requirement.

(e) On any Interest Payment Date (including a date on which the Junior Lien Bonds are subject to mandatory or optional redemption), if the amount in the Junior Lien Debt Service Reserve Fund together with any funds then on deposit in the Junior Lien Interest Account of the Debt Service Fund, the Junior Lien Principal Account of the Debt Service Fund and the Junior Lien Redemption Account is sufficient to pay the principal of, premium, if any, and interest on all Outstanding Junior Lien Bonds, as applicable, the money in the Junior Lien Debt Service Reserve Fund, the Junior Lien Interest Account of the Debt Service Fund and the Junior Lien Principal Account of the Debt Service Fund may be transferred at the written direction of Borrower to the Junior Lien Redemption Account and used for such purpose.

Section 5.10 ~~Section 5.09~~ Bond Trustee Authorized to Take Actions Under the Loan Agreement. The Issuer hereby authorizes and directs the Bond Trustee, and the Bond Trustee hereby agrees, subject to Section 7.04 and Article VIII hereof, that the Bond Trustee is entitled to take such actions as the Bond Trustee deems necessary to enforce the Borrower's obligation under the Loan Agreement to make payments at such times and in such amounts as are necessary in order for the Bond Trustee to make timely payment of principal of and interest on the Bonds to

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the extent any Bond proceeds and other moneys are not available for such payment in accordance with the provisions of Section 5.04 hereof.

ARTICLE VI

MONEYS HELD IN TRUST, SECURITY FOR DEPOSITS, AND INVESTMENT OF FUNDS

Section 6.01 Moneys Held in Trust. All moneys deposited with the Bond Trustee under the provisions of this Bond Indenture shall be held by the Bond Trustee in such capacity hereunder. All moneys deposited under the provisions of this Bond Indenture with the Bond Trustee shall be held in trust and applied only in accordance with the provisions of this Bond Indenture, and each of the Funds and Accounts established by this Bond Indenture shall be a trust fund for the purpose of this Bond Indenture subject to application thereof as set forth herein.

Section 6.02 Deposits and Transfers.

(a) All moneys held by the Bond Trustee under this Bond Indenture may be placed in demand deposit, time deposit or money market fund accounts in accordance with Section 6.03, provided that such deposits shall permit the moneys so held to be available for use at the time when needed.

(b) All moneys held under this Bond Indenture by the Bond Trustee (other than (i) moneys held in the Rebate Fund as more particularly described in Section 5.06, ~~and~~ (ii) moneys held in the Senior Lien Debt Service Reserve Fund which is held solely for the benefit of the Series 2025A Bonds as more particularly described in Section 5.08, and (iii) moneys held in the Junior Lien Debt Service Reserve Fund which is held solely for the benefit of the Series 2025B Bonds as more particularly described in Section 5.09).

(c) All moneys deposited with the Bond Trustee shall be credited to the particular Fund or Account as provided herein.

(d) Any transfer required to be made from one Fund or Account to another Fund or Account held by the same Person may be made by book transfer of any moneys or investments or portions of investments without liquidating any investments in order to make such transfer unless the funds required to be transferred are needed to make payments out of the Fund or Account to which such funds were transferred at the time of transfer.

Section 6.03 Investment of Funds.

(a) Investments shall be made in accordance with applicable law. Absent an Event of Default hereunder, moneys held in any Fund or Account shall be invested and reinvested by the Bond Trustee as promptly as practicable in accordance with the written

Direction of the Borrower. If the Bond Trustee has not received written investment directions from the Borrower with respect to any moneys, such moneys shall be deposited in the _____ Money Market Deposit Account, which the Borrower has determined qualifies as an Investment Security hereunder, and, to the extent such account is no longer available, such moneys shall be held by the Bond Trustee uninvested. The Bond Trustee may conclusively rely upon the investment direction of the Borrower as to the suitability and permissibility of the directed investment. During the continuance of an Event of Default of which the Bond Trustee has received notice in accordance with Section 10.04(b) or if the Bond Trustee fails to receive such Directions at least one Business Day before the day on which any amounts are required to be invested, the funds shall be held uninvested. Notwithstanding any other provision of this Bond Indenture to the contrary, Investment Securities in all Funds and Accounts shall mature, or the principal of and accrued interest on such Investment Securities shall be available for withdrawal without penalty, not later than such times as shall be necessary to provide moneys when needed for payment to be made from such Funds and Accounts. The Bond Trustee shall not be responsible for any loss in any investment in any Fund or Account and is not responsible for monitoring the yield on investments.

(b) Except as otherwise provided in this subsection, interest earned or profits realized from investing any moneys deposited in the Funds and Accounts or any subaccount thereof shall be applied as provided in Article V hereof. The Issuer acknowledges that to the extent regulations of the Comptroller of the Currency or any other regulatory entity grant the Issuer the right to receive brokerage confirmations of the security transactions as they occur, the Issuer specifically waives receipt of such confirmations to the extent permitted by law.

Section 6.04 Valuation and Sale of Investments.

(a) Investment Securities acquired as an investment of moneys in any Fund or Account shall be at all times a part of such Fund or Account, and any profit or loss realized from the liquidation of such investment shall be applied as provided in Section 6.03(b).

(b) For the purpose of determining the amount in any Fund, all Investment Securities credited to such Fund shall be valued at the lesser of the cost or market value. Certificates of deposit and bankers' acceptances shall be valued at the face amount thereof, plus accrued interest thereon.

(c) Except as otherwise provided in this Bond Indenture, the Bond Trustee shall sell, or present for redemption, any Investment Security purchased as an investment whenever it shall be necessary in order to provide moneys to meet any payment or transfer from any Fund or Account. The Bond Trustee shall not be liable or responsible for any loss resulting from any such sale.

(d) The Bond Trustee is required to determine the value of the Senior Lien Debt Service Reserve Fund and the Junior Lien Debt Service Reserve Fund on the last Business

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Day preceding each Interest Payment Date (and monthly from the date of any deficiency until such deficiency is cured).

ARTICLE VII

PARTICULAR COVENANTS AND REPRESENTATIONS

Section 7.01 Punctual Payment. The Issuer shall punctually cause to be paid the principal or Redemption Price and interest to become due in respect of all the Bonds, in strict conformity with the terms of the Bonds and of this Bond Indenture, according to the true intent and meaning thereof, but only out of Revenues and other assets pledged for such payment as provided in this Bond Indenture. Nothing in the Bonds or in this Bond Indenture shall be considered or construed as pledging any funds or assets of the Issuer other than those pledged hereby or creating any liability of the Issuer Indemnified Parties.

Section 7.02 Extension of Payment of Bonds. The Issuer shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Bond Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended. Nothing in this Section shall be deemed to limit the right of the Issuer to amend this Bond Indenture as provided in Article XI or to issue obligations for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of the Bonds.

Section 7.03 Against Encumbrances. The execution and delivery by the Issuer of the Issuer Documents and compliance with the provisions on the Issuer's part contained therein will neither (i) conflict with or constitute a material breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or is otherwise subject, nor (ii) result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Issuer under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Issuer Documents.

Section 7.04 Power to Issue Bonds and Make Pledge and Assignment. The Issuer is a legal entity duly created and a public agency duly organized and validly existing under the laws of the State. The Issuer has full power and authority under the Act to adopt the Bond Resolution, to enter into and to perform its obligations under the Issuer Documents. When executed and delivered by the respective parties thereto, the Issuer Documents will constitute the legal, valid

and binding obligations of the Issuer enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitation on legal remedies against joint powers commissions or governmental units of the State. By official action of the Issuer prior to or concurrently herewith, the Issuer has authorized and approved the execution and delivery of the Issuer Documents and the consummation by the Issuer of the transactions contemplated thereby.

The Loan Agreement sets forth covenants and obligations of the Issuer and the Borrower, and reference is hereby made to the same for a detailed statement of said covenants and obligations. The Issuer agrees to reasonably cooperate in the enforcement of all covenants and obligations of the Borrower under the Loan Agreement and agrees that the Bond Trustee, in its name, may enforce all rights of the Issuer (other than the Issuer's Reserved Rights) and all obligations of the Borrower under and pursuant to the Loan Agreement and on behalf of the Holders, whether or not the Issuer has undertaken to enforce such rights and obligations.

Section 7.05 Issuer's Further Assurance. The Issuer covenants that it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered by the parties within its control, such instruments supplemental hereto and such further acts, instruments, and transfers as the Bond Trustee may reasonably require for the better assuring, transferring, mortgaging, conveying, pledging, assigning, and confirming unto the Bond Trustee, the Issuer's interest in and to all interests, revenues, proceeds, and receipts pledged hereby to the payment of the principal of, premium, if any, and interest on the Bonds in the manner and to the extent contemplated herein. The Issuer shall be under no obligation to prepare, record, or file any such instruments or transfers.

Section 7.06 Accounting Records and Financial Statements.

(a) The Bond Trustee shall at all times keep, or cause to be kept, proper books of record and account prepared in accordance with corporate trust accounting standards, in which complete and accurate entries shall be made of all transactions relating to the receipt, investment, disbursement, allocation and application of the proceeds of the Bonds, the Revenues, the Loan Agreement and all funds and accounts established pursuant to this Bond Indenture. Such books of record and account shall be available for inspection by the Issuer, Borrower and any Bondholder, or his or her agent or representative duly authorized in writing, at reasonable hours and under reasonable circumstances. The book and records described in this subsection shall be maintained by the Bond Trustee until four years after no Bonds are Outstanding.

(b) The Bond Trustee shall file and furnish to each Bondholder who shall have filed his name and address with the Bond Trustee and requested such documents for such purpose (1) a copy of the most recent audited financial statements of the Borrower furnished to the Bond Trustee pursuant to the Loan Agreement, and (2) within thirty days after the end of

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each month, a monthly account statement (which need not be audited and may be its regular account statements) covering receipts, disbursements, allocation and application of Revenues and any other moneys (including proceeds of Bonds) in any of the funds and accounts established pursuant to this Bond Indenture for such month; provided that the Bond Trustee shall not be obligated to deliver an accounting for any fund or account that has a balance of $0.00 and has not had any activity since the last reporting. The Bond Trustee shall also furnish a copy of its monthly statement to Borrower and, upon written request of the Issuer, to the Issuer.

Section 7.07 Tax Covenants. In the Loan Agreement, Borrower has covenanted to do and perform all acts and things permitted by law and the Tax Agreement at all times which are necessary or desirable in order to assure that interest paid on the Tax-Exempt Bonds (or any of them) will be excluded from gross income for federal income tax purposes and shall take no action that would result in such interest not being so excluded. Without limiting the generality of the foregoing, the Issuer agrees to comply with its obligations under the Tax Agreement. This covenant shall survive payment in full or defeasance of the Tax-Exempt Bonds.

Section 7.08 [Reserved].

Section 7.09 Enforcement of Loan Agreement and the Obligations. The Bond Trustee shall promptly receive all amounts transferred from the Borrower pursuant to the Loan Agreement and the Obligations and shall perform all duties imposed upon it pursuant to the Loan Agreement and subject to the provisions of this Bond Indenture, shall be entitled to enforce, and take all steps, actions and proceedings reasonably necessary for the enforcement of all of the rights of the Issuer assigned to it hereunder and all of the obligations of Borrower relating thereto.

Section 7.10 [Reserved].

Section 7.11 Continuing Disclosure. Pursuant to Section 5.5 of the Loan Agreement, the Borrower has undertaken all responsibility for compliance with continuing disclosure requirements, and the Issuer shall have no liability to the Holders of the Bonds or any other person with respect to Rule 15c2-12 promulgated by the Securities and Exchange Commission or any duty to enforce Section 5.5 of the Loan Agreement or the Continuing Disclosure Agreement or any continuing disclosure obligation whatsoever with respect to the Bonds. Notwithstanding any other provision of this Bond Indenture, failure of Borrower to comply with the continuing disclosure agreement shall not constitute an Event of Default; however, the Bond Trustee may and, at the request of any participating underwriter or the Holders of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds, shall, but only to the extent funds in an amount satisfactory to the Bond Trustee have been provided to it or it has otherwise been indemnified to its satisfaction from any cost, liability, expense or additional charges of the Bond Trustee, including attorney's fees, or any Holder or beneficial owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court

order, to cause Borrower to comply with its obligations under Section 5.5 of the Loan Agreement.

ARTICLE VIII

DISCHARGE AND DEFEASANCE

Section 8.01 Discharge of Bond Indenture. If the Issuer shall pay, or cause to be paid, all of the principal and Redemption Price of and interest on the Bonds, at the times and in the manner provided herein and in the Bonds according to the intent and meaning hereof and thereof, and shall cause the payments to be made into the Funds and Accounts established hereunder and in the amounts required hereby, or shall provide, as permitted hereby, for the payment thereof by depositing with or for the account of the Bond Trustee an amount sufficient to provide for payment of the entire amount due or to become due thereon (including any amount due or to become due with respect to the Tax-Exempt Bonds under Section 148 of the Code), and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of this Bond Indenture to be kept, performed and observed by it on or prior to the date such payments are made, and shall pay or cause to be paid to the Bond Trustee and there shall have been paid to the Issuer all sums of money due or to become due to it in accordance with the terms and provisions hereof (including, without limitation, amounts due the Issuer in respect of the Issuer's Reserved Rights), then, upon such payment and performance, this Bond Indenture and the rights, pledges and liens hereby granted shall cease, determine and be void; provided, that the Bond Trustee's rights and protections hereunder shall survive such discharge; otherwise, this Bond Indenture is to be and shall remain in full force and effect. In the event that this Bond Indenture is discharged as herein provided, the Bond Trustee shall cause an accounting for such period or periods as shall be requested by the Issuer to be prepared and filed with the Issuer and shall execute and deliver to the Issuer all such instruments as may be desirable to evidence such discharge and satisfaction, and the Bond Trustee shall pay over or transfer and deliver to the Borrower all moneys or securities held by it in any other Fund or Account pursuant to this Bond Indenture which are not required for the payment of principal or Redemption Price of and interest on the Bonds and other sums due.

Section 8.02 Defeasance. Any Outstanding Bonds shall, prior to the maturity or Redemption Date thereof, be deemed to have been paid within the meaning and with the effect expressed in Section 8.01 if (a) in case any of such Bonds are to be redeemed on any date prior to their maturity, the Issuer shall have given to the Bond Trustee in form satisfactory to it a Letter of Instructions containing irrevocable instructions to give notice of redemption of such Bonds as provided in Article IV, (b) there shall have been deposited with the Bond Trustee, in trust, either money in an amount which shall be sufficient, or Defeasance Investment Securities that are not callable or prepayable prior to maturity the principal of and interest on which without any reinvestment thereof when due will provide money which, together with the money, if any, deposited with the Bond Trustee at the same time for such purposes, shall be sufficient, as verified by an Accountant, to pay when due the principal or Redemption Price of and interest due

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and to become due on such Bonds on or prior to the Redemption Date or maturity date thereof, as the case may be, (c) in the event such Bonds are not to be redeemed within the next succeeding 60 days, the Issuer shall have given the Bond Trustee in form satisfactory to it a Letter of Instructions containing irrevocable instructions to mail, as soon as practicable, notice to the Owners of all such Bonds that the deposit required by clause (b) above has been made with the Bond Trustee and that such Bonds are deemed to have been paid in accordance with this Section and stating such maturity or Redemption Date upon which money is to be made available for the payment of the principal or Redemption Price of and interest on such Bonds, (d) there shall be delivered to the Bond Trustee a verification from an independent certified public accountant or firm of independent certified public accountants to the effect that the moneys and/or Defeasance Investment Securities are sufficient, without reinvestment, to pay the principal of, interest on, and redemption premium, if any, of the Bonds to be defeased, and (e) there shall be delivered to the Bond Trustee a written Opinion of Bond Counsel to the effect that (i) the provisions of this Section have been complied with so that such Bonds are no longer entitled to the benefits of this Bond Indenture and (ii) such defeasance will not, in and of itself, result in the inclusion of interest on the Tax-Exempt Bonds in gross income for federal income tax purposes. Neither Defeasance Investment Securities nor money deposited with the Bond Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Investment Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price of and interest on such Bonds; provided, that any cash received from such principal or interest payment on such Defeasance Investment Securities, (i) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Issuer as received, free and clear of any trust, lien, security interest, pledge or assignment securing such Bonds or otherwise existing under this Bond Indenture, if all Bonds have been redeemed or discharged and if this Bond Indenture is discharged, otherwise such cash shall be deposited as Revenues, and (ii) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in the Defeasance Investment Securities maturing at times and in amounts sufficient to pay when due the principal or Redemption Price of and interest to become due on such Bonds, on or prior to such Redemption Date or maturity date thereof, as the case may be, and interest earned from such reinvestment shall be paid over to the Borrower as received, free and clear of any trust, lien or pledge, if all Bonds have been redeemed or discharged and if this Bond Indenture is discharged, otherwise such cash shall be deposited as Revenues. Bonds defeased hereunder shall no longer be subject to redemption at the option of the Issuer, except to the extent that such Bonds are called for redemption at the time provision is made for the defeasance thereof, as provided in this Section. The Bond Trustee shall provide written notice to the Issuer of any defeasance of Bonds hereunder.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01 Rights and Remedies, Generally. Subject to the provisions of this Bond Indenture (including Sections 9.09 and 13.17), the Owners of the Bonds, and the Bond Trustee acting for all of the Owners of the Bonds shall be entitled to all of the rights and remedies provided or permitted under this Bond Indenture or at law or in equity.

Section 9.02 Events of Default. Each of the following events is hereby declared an "Event of Default" under this Bond Indenture:

(a) failure to make due and punctual payment of the principal or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity or by call for redemption, or otherwise, provided that a default in the payment of principal or Redemption Price of any ~~Junior~~Third Lien Bonds will not constitute an Event of Default with respect to the Senior Lien Bonds nor the Junior Lien Bonds;

(b) failure to make due and punctual payment of any installment of interest on any Bond or the unsatisfied balance of any Mandatory Sinking Fund Installment therefor (except when such Mandatory Sinking Fund Installment is due on the maturity date of such Bond), when and as such interest installment or Mandatory Sinking Fund Installment shall become due and payable, provided that a default in the payment of any installment of interest on any ~~Junior~~Third Lien Bonds will not constitute an Event of Default with respect to the Senior Lien Bonds nor the Junior Lien Bonds;

(c) other than as described elsewhere in this Section, failure by the Issuer in the performance or observance of any other of the covenants, agreements or conditions on its part contained in this Bond Indenture or any Supplemental Bond Indenture, and such failure shall continue for a period of 60 days after written notice thereof to the Issuer by the Bond Trustee or to the Issuer and the Bond Trustee by the Controlling Party;

(d) a Loan Default Event (as defined in Section 6.1 of the Loan Agreement); or

(e) if the Issuer shall file a petition or answer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if a court of competent jurisdiction shall approve a petition filed with or without the consent of the Issuer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if under the provisions of any other law for the relief or aid of debtors any court of competent jurisdiction shall assume custody or control of the Issuer or of the whole or any substantial part of its property.

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Upon a Responsible Officer's receiving notice or being deemed to have received notice in accordance with Section 10.04(b) of the existence of any Event of Default, the Bond Trustee shall notify Borrower, the Issuer and the Master Trustee in writing as soon as practicable, but in any event within five (5) Business Days; provided, however, that the Bond Trustee need not provide notice of any Loan Default Event if Borrower has expressly acknowledged the existence of such Loan Default Event in a writing delivered to the Bond Trustee, the Issuer and the Master Trustee.

ANYTHING IN THIS BOND INDENTURE TO THE CONTRARY NOTWITHSTANDING, UPON THE OCCURRENCE AND CONTINUANCE OF AN EVENT OF DEFAULT AS DEFINED HEREIN, THE CONTROLLING PARTY SHALL BE ENTITLED TO CONTROL AND DIRECT THE ENFORCEMENT OF ALL RIGHTS AND REMEDIES GRANTED TO THE OWNERS OR THE BOND TRUSTEE UNDER THIS BOND INDENTURE (BUT, FOR AVOIDANCE OF DOUBT, EXCLUDING THE ISSUER'S RESERVED RIGHTS), INCLUDING (I) THE RIGHT TO ACCELERATE THE PRINCIPAL OF THE BONDS AS DESCRIBED IN THIS BOND INDENTURE, AND (II) THE RIGHT TO ANNUL ANY DECLARATION OF ACCELERATION, AND THE CONTROLLING PARTY SHALL ALSO BE ENTITLED TO APPROVE ALL WAIVERS OF EVENTS OF DEFAULT (EXCEPT IN RESPECT OF THE ISSUER'S RESERVED RIGHTS).

Upon the occurrence of an Event of Default of which a Responsible Officer of the Bond Trustee has received notice or is deemed to have received notice in accordance with Section 10.04(b), the Bond Trustee shall promptly provide written notice by first class mail to the Owners of the Bonds then Outstanding of such Event of Default. The Bond Trustee shall be fully protected in acting in accordance with the directions of the Controlling Party upon the occurrence of an Event of Default, and shall so act.

Section 9.03 Notice of Default. Upon a Responsible Officer of the Bond Trustee receiving notice or being deemed to have received notice in accordance with Section 10.04(b) of the existence of any Event of Default, the Bond Trustee shall notify the Issuer and the Owners in writing as soon as practicable, but in any event within five (5) Business Days with a copy of any such notice also posted on EMMA.

If an Event of Default has occurred and is continuing for six months and Owners of at least 10% of the then Outstanding Series of Bonds that would constitute the then-applicable Series of Bonds for purposes of the definition of the Controlling Party have contacted the Bond Trustee seeking additional information about the Event of Default and any proposed actions to be taken by the Bond Trustee, the Bond Trustee shall promptly provide written notice by first class mail to the Owners of the Bonds then Outstanding, with such notice also posted on EMMA, that the Bond Trustee will hold an informational call for Owners to provide information on the status of the Event of Default and any proposed actions to be taken in connection therewith. In addition, the Bond Trustee shall cooperate with the Owners of the Series of Bonds that would constitute the then-applicable Series of Bonds for purposes of the definition of the Controlling

Party to allow such Owners to identify other such Owners in order to allow such Owners to provide directions as the Controlling Party.

Section 9.04 Specific Remedies.

(a) If an Event of Default with respect to the Senior Lien Bonds occurs and is continuing, then, the Bond Trustee shall, upon the request of the Controlling Party, and may, but only with the prior written consent of the Controlling Party, and having been indemnified to its satisfaction (except with respect to the exercise of the remedy specified in clause (i) of this subsection (a) for which the Bond Trustee shall not be entitled to require indemnification as a precondition to the exercise of such remedy) take any or all or any combination of the following actions:

(i) declare the principal of the Bonds to be immediately due and payable, whereupon that portion of the principal of the Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in this Bond Indenture or in the Bonds to the contrary notwithstanding;

(ii) by mandamus or other suit, action or proceeding at law or in equity require the Issuer to perform its covenants and duties with respect to the Bonds under this Bond Indenture;

(iii) by action or suit in equity require the Issuer to account as if it were the trustee of an express trust for the Owners of the Bonds;

(iv) by action or suit in equity enjoin any acts or things that may be unlawful or in violation of the rights of the Owners of the Bonds;

(v) request that a court of competent jurisdiction appoint, to the extent permitted by law, a receiver or receivers of the Revenues and other assets pledged under this Bond Indenture, and the income, revenues, profits and use thereof, it being the intent hereof that, to the extent permitted by law, the Bond Trustee shall be entitled to appointment of such a receiver as a matter of right; or

(vi) direct, to the extent permitted by and in accordance with the Master Trust Indenture, the Master Trustee to commence foreclosure of a Mortgage by private sale or judicial foreclosure; provided, that the Bond Trustee shall first receive the written consent of the Controlling Party.

(b) If no Senior Lien Bonds remain outstanding, the same remedies available with respect to Senior Lien Bonds under subsection (a) of this Section 9.04 shall be available with respect to the Junior Lien Bonds. So long as any Senior Lien Bonds remain outstanding, the

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Owners of the Junior Lien Bonds shall have no right to enforce any Event of Default hereunder, to direct remedies, to waive any Events of Default or to otherwise take any action with respect to any Event of Default.

(c) If no Senior Lien Bonds and no Junior Lien Bonds remain outstanding, the same remedies available with respect to Senior Lien Bonds under subsection (a) of this Section 9.04 shall be available with respect to the Third Lien Bonds. So long as any Senior Lien Bonds and Junior Lien Bonds remain outstanding, the Owners of the Third Lien Bonds shall have no right to enforce any Event of Default hereunder, to direct remedies, to waive any Events of Default or to otherwise take any action with respect to any Event of Default.

(d) ~~(c)~~ Any declaration of acceleration pursuant to clause (a)(i) of this Section 9.04 is subject to the condition that if, at any time after such declaration and before any judgment or decree for the payment of the moneys due shall have been entered, the Issuer shall cause to be deposited with the Bond Trustee a sum sufficient to pay all the principal or Redemption Price of and installments of interest on the Bonds, payment of which is overdue, and the reasonable charges and expenses of the Bond Trustee, including fees and expenses of its attorneys, and any and all other defaults known to the Bond Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Bond Trustee or provision reasonably deemed by the Bond Trustee to be adequate shall have been made therefor, then, and in every such case, the Bond Trustee may, and shall at the direction of the Controlling Party, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences and waive such default; but no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

Section 9.05 Application of Proceeds. After (i) payment to the Bond Trustee of the costs, indemnification payments and expenses of collection and payment of reasonable compensation to the Bond Trustee for its own services and for the services of counsel, agents and employees by it properly engaged and employed, and (ii) payment to the Issuer of the Issuer's Fees and Expenses and payment to the Issuer Indemnified Parties the fees and expenses, if any, payable to or incurred by the Issuer or the Issuer Indemnified Parties under or in connection with the Bonds or any of the other Bond Documents, and including but not limited to the Annual Issuer's Fee, indemnification payments, any fees and expenses of counsel to the Issuer then due and any other Issuer's Fees and Expenses then due, provided that payment of the amounts due to the Issuer or the Issuer Indemnified Parties under this Section shall not absolve the Borrower from liability therefor except to the extent of the amounts received from the Bond Trustee, the proceeds received by the Bond Trustee pursuant to the exercise of any right or remedy under this Article, together with all securities and other moneys which may then be held by the Bond Trustee as a part of the Revenues and other assets pledged under this Bond Indenture, subject to the application of amounts in specific Funds and Accounts which are pledged solely to the

repayment of Senior Lien Bonds or Junior Lien Bonds, as applicable, shall be applied in order, as follows:

(a) Unless the principal of all Bonds shall have become or have been declared due and payable,

First, to the payment to the Owners entitled thereto of all installments of interest (together with interest on overdue installments of interest to the extent allowed by law) then due on the Senior Lien Bonds in the order of their due dates, and, if the amount available shall not be sufficient to pay in full any installment or installments due on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the Owners of Senior Lien Bonds entitled thereto, without any discrimination or preference;

Second, to the payment to the Owners entitled thereto of the unpaid principal or Redemption Price of the Senior Lien Bonds with respect to which such remedy was exercised which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the unpaid principal or Redemption Price of all the Senior Lien Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date, to the Owners entitled thereto, without any discrimination or preference;

Third, to the payment to the Owners entitled thereto of all installments of interest (together with interest on overdue installments of interest to the extent allowed by law) then due on the Junior Lien Bonds in the order of their due dates, and, if the amount available shall not be sufficient to pay in full any installment or installments due on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the Owners of Junior Lien Bonds entitled thereto, without any discrimination or preference; ~~and~~

Fourth, to the payment to the Owners entitled thereto of the unpaid principal or Redemption Price of the Junior Lien Bonds with respect to which such remedy was exercised which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the unpaid principal or Redemption Price of all the Junior Lien Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date, to the Owners entitled thereto, without any discrimination or preference~~.~~;

Fifth, to the payment to the Owners entitled thereto of all installments of interest then due on the Third Lien Bonds in the order of their due dates, and, if the amount available shall not be sufficient to pay in full any installment or

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installments due on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the Owners of Third Lien Bonds entitled thereto, without any discrimination or preference; and

Sixth, to the payment to the Owners entitled thereto of the unpaid principal or Redemption Price of the Third Lien Bonds with respect to which such remedy was exercised which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the unpaid principal or Redemption Price of all the Third Lien Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date, to the Owners entitled thereto, without any discrimination or preference.

(b) If the principal of all of the Bonds with respect to which such remedy was exercised shall have become or have been declared due and payable, (i) first, to the payment of the principal or Redemption Price and interest then due and unpaid upon the Senior Lien Bonds, with interest on the overdue principal, Redemption Price and interest (to the extent allowed by law), and, if the amount available shall not be sufficient to pay in full the whole amount so due and unpaid, then to the payment thereof ratably, without preference or priority of principal over interest or Redemption Price, or of interest over principal or Redemption Price, or of Redemption Price over principal or interest, or of any installment of interest over any other installment of interest, or of any Senior Lien Bond over any other Senior Lien Bond, according to the amounts due respectively for principal, Redemption Price and interest, to the Owners entitled thereto without any discrimination or preference; ~~and~~ (ii) second, to the payment of the principal or Redemption Price and interest then due and unpaid upon the Junior Lien Bonds, with interest on the overdue principal, Redemption Price ~~for the respective Junior Lien Bonds~~and interest (to the extent allowed by law), and, if the amount available shall not be sufficient to pay in full the whole amount so due and unpaid, then to the payment thereof ratably, without preference or priority of principal over interest or Redemption Price, or of interest over principal or Redemption Price, or of Redemption Price over principal or interest, or of any installment of interest over any other installment of interest, or of any Junior Lien Bond over any other Junior Lien Bond, according to the amounts due respectively for principal, Redemption Price and interest, to the Owners entitled thereto without any discrimination or preference~~.~~; and (iii) third, to the payment of the principal or Redemption Price and interest then due and unpaid upon the Third Lien Bonds, with interest on the overdue principal, Redemption Price for the respective Third Lien Bonds, and, if the amount available shall not be sufficient to pay in full the whole amount so due and unpaid, then to the payment thereof ratably, without preference or priority of principal over interest or Redemption Price, or of interest over principal or Redemption Price, or of Redemption Price over principal or interest, or of any installment of interest over any other installment of interest, or of any Third Lien Bond over any other Third Lien Bond, according to the amounts due respectively for principal, Redemption Price and interest, to the Owners entitled thereto without any discrimination or preference.

(c) If the principal of all the Bonds has been declared due and payable and if such declaration thereafter is rescinded and annulled under the provisions of this Article, then the moneys will be applied in accordance with the provisions of paragraph (a) of this Section.

Section 9.06 Bond Trustee May Act Without Possession of Bonds. All rights of action under this Bond Indenture or under any Bonds may be enforced by the Bond Trustee without possession of any of the Bonds or the production thereof in any trial or other proceedings relative thereto, and any such suit or proceedings instituted by the Bond Trustee shall be brought in its name, as Bond Trustee for the ratable benefit of the Owners of the Bonds, subject to the provisions of this Bond Indenture.

Section 9.07 Bond Trustee as Attorney-in-Fact. The Bond Trustee is hereby irrevocably appointed (and the Owners of the Bonds, by taking and holding same from time to time, shall be deemed to have so appointed the Bond Trustee) the true and lawful attorney-in-fact of the Owners of the Bonds, or on behalf of all Owners of the Bonds as a class, with respect to any proof of debt, amendment to proof of debt, petition or other document, and to do and perform any and all acts and things for and in the name of the Owners of the Bonds against the Issuer allowed in any equity receivership, insolvency, liquidation, bankruptcy, reorganization or other proceedings to which the Issuer shall be a party and to receive payment of or on account of such claims. Any such receiver, assignee, liquidator or Bond Trustee is hereby authorized by each of the Owners of the Bonds to make such payments to the Bond Trustee and, in the event that the Bond Trustee shall consent to the making of such payments directly to the Owners of the Bonds, to pay to the Bond Trustee and indemnify the Bond Trustee for any amount due for compensation and expenses of the Bond Trustee, including counsel fees, incurred up to the date of such distribution, and the Bond Trustee shall have full power of substitution and delegation in respect of any such powers.

Section 9.08 Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Bond Trustee or the Controlling Party is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity or by statute, subject to the right of the Controlling Party to direct the remedies and the limitations on remedies for the benefit of the Owners of the Senior Lien Bonds ~~and~~, the Junior Lien Bonds and the Third Lien Bonds as set forth in Section 9.04.

Section 9.09 Limitation on Suits. All rights of action in respect of this Bond Indenture shall be exercised only by the Bond Trustee (excepting the Issuer's Reserved Rights, which may only be enforced by the Issuer or the Issuer Indemnified Parties, as the case may be), and the Owner of any Bond shall not have any right to institute any suit, action or proceedings at law or in equity for the appointment of a receiver or for any other remedy hereunder or by reason hereof, unless and until an Event of Default has occurred and is continuing, the Bond Trustee shall have received a request of the Controlling Party, and shall have been furnished reasonable indemnity and shall have refused or neglected for 30 days thereafter to institute such suit, action

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or proceedings, and no direction inconsistent with such Request has been given to the Bond Trustee during such 30-day period by the Controlling Party. The making of such request and the furnishing of such indemnity shall in each and every case be conditions precedent to the execution and enforcement by any Owner of any Bond, if such Owners are then the Controlling Party, of the powers and remedies given to the Bond Trustee hereunder and to the institution and maintenance by any such Owner of any action or cause of action for the appointment of a receiver or for any other remedy hereunder, but the Bond Trustee may, in its discretion, and when duly requested in writing by the Controlling Party and when furnished indemnity satisfactory to protect it against expenses, charges and liability shall, subject to Section 9.04(d), take such appropriate action by judicial proceedings otherwise in respect of any existing default on the part of the Issuer as the Bond Trustee may deem desirable in the interest of the Controlling Party. The rights of the Owners under this Section are in all events subject to the provisions of Section 9.04.

Nothing contained in this Article shall affect or impair the right of any Owner of any Bonds, which shall be absolute and unconditional, to enforce the payment of the principal of, Redemption Price, if any, and interest on the Bonds of such Owner, but only out of the moneys for such payment as herein provided, or the obligation of the Issuer, which shall also be absolute and unconditional, to make payment of the principal of, Redemption Price, if any, and interest on the Bonds, but only out of the funds provided herein for such payment, to the respective Owners thereof at the time and place stated herein.

Section 9.10 Right of Controlling Party to Direct Proceedings. Notwithstanding any provision of this Bond Indenture to the contrary other than as specifically set forth in Section 9.02, the Controlling Party shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Bond Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Bond Indenture, or for the pursuit or exercise of any remedy available to the Bond Trustee or any trust or power conferred on the Bond Trustee or any other proceedings hereunder; provided, that the Bond Trustee shall have been satisfactorily indemnified and that such direction shall not be contrary to law or the provisions of this Bond Indenture, and, unless such direction relates to the acceleration of all or a portion of the Bonds, the Bond Trustee shall have the right to decline to follow any such direction if the Bond Trustee shall, in its sole discretion, determine that the proceedings so directed would involve it in personal liability for which it has not received adequate indemnity. Anything in this Bond Indenture to the contrary notwithstanding, by their acceptance of the Junior Lien Bonds and Third Lien Bonds, the Beneficial Owners thereof shall have no right to object to any directions given by the Beneficial Owners of the Senior Lien Bonds in connection with any bankruptcy proceeding, with any exercise of remedies (or lack of exercise of remedies) under this Article IX, or otherwise with respect to actions taken or not taken in response to an Event of Default, without limitation. Anything in this Bond Indenture to the contrary notwithstanding, by their acceptance of the Third Lien Bonds, the Beneficial Owners thereof shall have no right to object to any directions given

by the Beneficial Owners of the Senior Lien Bonds or the Junior Lien Bonds in connection with any bankruptcy proceeding, with any exercise of remedies (or lack of exercise of remedies) under this Article IX, or otherwise with respect to actions taken or not taken in response to an Event of Default, without limitation.

Section 9.11 Restoration of Rights and Remedies. If the Bond Trustee, the Controlling Party or any Owner has instituted any proceeding to enforce any right or remedy under this Bond Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Bond Trustee, the Controlling Party or such Owner, then and in every such case, the Issuer, the Bond Trustee, the Controlling Party and the Owners shall, subject to any determination in such proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Bond Trustee, the Controlling Party and the Owners shall continue as though no such proceeding had been instituted.

Section 9.12 Waiver of Stay or Extension Laws. To the extent that it may lawfully do so, the Issuer covenants that it will not at any time insist upon, plead or in any manner whatsoever claim or take the benefit or advantage of any stay or extension law, whenever or wherever enacted, which may affect the covenants under or the performance of this Bond Indenture. The Issuer also covenants that it will not otherwise unreasonably hinder, delay or impede the execution of any power herein granted to the Bond Trustee.

Section 9.13 Delay or Omission Not Waiver. No delay or omission of the Bond Trustee, the Controlling Party or of any Owner to exercise any right or remedy accruing upon any Event of Default hereunder shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Bond Trustee, the Controlling Party or to the Owners may be executed from time to time, and as often as may be deemed expedient, by the Bond Trustee, the Controlling Party or by the Owners, as the case may be.

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ARTICLE X

CONCERNING THE BOND TRUSTEE

Section 10.01 Bond Trustee; Appointment and Acceptance of Duties.

(a) UMB BANK, N.A., is hereby appointed as Bond Trustee. The Bond Trustee hereby accepts and agrees to execute the trusts hereby created, but only upon the additional terms set forth in this Article, to all of which the Issuer agrees and the respective Owners agree by their acceptance of delivery of any of the Bonds. The Bond Trustee shall be deemed to have accepted such trusts with respect to all the Bonds hereafter to be issued, but only upon the terms and conditions set forth in this Bond Indenture. The Bond Trustee may execute any of the trusts or powers set forth herein and perform the duties required of it or imposed on it hereunder by or through attorneys, agents or receivers, and shall be entitled to advice of counsel concerning all matters of trusts and its duties herein.

(b) The Bond Trustee shall serve as Paying Agent for the Bonds. As Paying Agent, the Bond Trustee agrees that it will (i) hold all sums held by it for the payment of principal or Redemption Price of or interest on Bonds in trust for the benefit of the Owners entitled thereto, until such sums shall be paid to such Owners or otherwise disposed of as herein provided; and (ii) give the Issuer written notice of any default in the making of any such payment of principal or interest.

Section 10.02 [Reserved].

Section 10.03 Registrars and Other Agents; Appointment and Acceptance of Duties.

(a) The Issuer may appoint one or more Registrars or other agents to perform any of the duties and obligations imposed under this Bond Indenture or any Supplemental Bond Indenture, and separate appointments may be made for the Bonds of each Series. The Bond Trustee shall serve as initial Registrar for the Bonds.

(b) Each Registrar or other agent, other than the Bond Trustee, shall signify its acceptance of the duties and obligations imposed upon it by this Bond Indenture or any Supplemental Bond Indenture by executing and delivering to the Issuer and the Bond Trustee a written acceptance thereof.

Section 10.04 Responsibilities of the Bond Trustee.

(a) The recitals of fact herein and in the Bonds contained shall be taken as the statements of the Issuer, and the Bond Trustee assumes no responsibility for the correctness of the same. The Bond Trustee makes no representations as to the validity or sufficiency of this Bond Indenture or of any Bonds issued thereunder or of the Obligations, or as to the security

afforded by this Bond Indenture or any of the other Bond Documents, and the Bond Trustee shall not incur any liability in respect thereof; provided, however, that the Bond Trustee represents and warrants that this Bond Indenture is the valid and binding legal obligation of the Bond Trustee enforceable against the Bond Trustee in accordance with its terms. The Bond Trustee shall, however, be responsible for its express representations contained in any authentication on the Bonds. The Bond Trustee shall not be under any responsibility or duty with respect to the application of any money paid to the Issuer or money collected by the Issuer prior to the delivery thereof to the Bond Trustee. The Bond Trustee shall not be under any obligation or duty to perform any act or exercise any right granted to it, whether requested by the Owners, Beneficial Owners, Controlling Party or otherwise, which would involve it in liability or to institute or defend any suit in respect hereof, or to advance any of its own money, unless it has received indemnity satisfactory to the Bond Trustee against such liability other than liability resulting from its negligence or willful misconduct. Subject to the provisions of subsection (b) of this Section, the Bond Trustee shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct.

(b) The Bond Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Bond Indenture, and no implied covenants or obligations shall be read into this Bond Indenture against the Bond Trustee. In case an Event of Default has occurred (which has not been cured), the Bond Trustee shall exercise such of the rights and powers vested in it by this Bond Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances. Except for a default under Section 9.02(a) or (b), the Bond Trustee shall not be deemed to have notice of any default or Event of Default hereunder absent the Bond Trustee's receipt of written notice of such default or Event of Default. The Bond Trustee shall not be required to take notice or be deemed to have notice of any default or Event of Default hereunder except a default under Sections 9.02(a) or (b), unless the Bond Trustee is specifically notified in writing of such default by the Issuer or by the Owners of at least 25% in aggregate principal amount of all Bonds then Outstanding. All notices or other instruments required by this Bond Indenture to be delivered to the Bond Trustee must, to be effective, be delivered at the Designated Office of the Bond Trustee, and in the absence of the notice so delivered, the Bond Trustee may conclusively assume there is no default except as aforesaid. Any provision of this Bond Indenture relating to action taken or to be taken by the Bond Trustee or the evidence upon which the Bond Trustee may rely shall be subject to the provisions of this Section.

(c) The Bond Trustee is not required to make any inquiry or investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, debenture or other paper or document but the Bond Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit and, if the Bond Trustee determines to make such further inquiry or investigation, it is entitled to examine the books, records and premises of the Issuer, in person

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or by agent or attorney. Neither the Bond Trustee nor any of its directors, officers, employees, agents or affiliates shall be responsible for the performance or any action of the Borrower, the Issuer, or any of their directors, members, officers, agents, affiliates or employee, nor shall it have any liability in connection with the malfeasance or nonfeasance by such party. The Bond Trustee shall have no enforcement or notification obligations relating to breaches of representations or warranties of any other Person.

(d) [Reserved].

(e) The permissive right of the Bond Trustee to take the actions permitted by this Bond Indenture shall not be construed as an obligation or duty to do so.

(f) Promptly after receiving appropriate notification thereof, at the cost of the Borrower, the Bond Trustee shall be responsible for sending notifications required to be sent by the Bond Trustee to the Owners hereunder and shall, at the written request of the Borrower or as otherwise expressly required here, request consents of the Owners.

(g) Except for information provided by the Bond Trustee concerning the Bond Trustee, the Bond Trustee shall have no responsibility for any information in any offering memorandum or other disclosure material distributed with respect to the Bonds, and the Bond Trustee shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds.

(h) It is expressly understood and agreed that the Bond Trustee shall be under no liability of any kind or character whatsoever for the payment of any costs of the Projects and that all such costs shall be paid from amounts held pursuant hereto for such purpose.

(i) None of the provisions of this Bond Indenture or any other Bond Documents shall require the Bond Trustee to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless the Bond Trustee shall first have been adequately indemnified to its satisfaction against the cost, expense, and liability which may be incurred thereby.

(j) The Bond Trustee shall be entitled to request and receive written instructions or directions pursuant to this Bond Indenture sent by the Issuer by unsecured e-mail, facsimile transmission, or other similar unsecured electronic methods, provided, however, that the Issuer shall provide to the Bond Trustee an incumbency certificate listing designated individuals with the authority to provide such instructions, which incumbency certificate shall be amended whenever an individual is to be added or deleted from the listing. If the Issuer elects to give the Bond Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Bond Trustee acts upon such instructions, the Bond Trustee's understanding of such instructions shall be deemed controlling. The Bond Trustee shall not be liable for any losses, costs, or expenses arising directly or indirectly from any action taken or not taken by the

Bond Trustee or from the Bond Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction that the Bond Trustee receives after the Bond Trustee has acted on a previous instruction or direction. The Issuer agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Bond Trustee, including, without limitation, the risk of the Bond Trustee acting on instructions, and the risk of interception and misuse by third parties.

(k) The Bond Trustee shall not be responsible or liable for any failure or delay in the performance of its obligation under this Bond Indenture arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; riots; interruptions; loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Bond Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

(l) In no event shall the Bond Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss or profit) irrespective of whether the Bond Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

Section 10.05 Evidence on Which the Bond Trustee May Act.

(a) The Bond Trustee, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of this Bond Indenture, shall be entitled to conclusively rely upon, and shall be protected in acting or refraining from acting upon, any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties and consented to by such other parties where required not only as to due execution, validity and effectiveness, but also as to the truth and accuracy of any information contained therein. The Bond Trustee may consult with counsel, who may or may not be counsel to the Issuer, or any Consultant, and the opinion or advice of such counsel or Consultant, if selected with due care, shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Bond Indenture in accordance therewith.

(b) Except as otherwise expressly provided in this Bond Indenture, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the Issuer to the Bond Trustee shall be sufficiently executed if executed in the name of the Issuer by an Authorized Issuer Representative.

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(c) The Bond Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, receivers, agents or employees but shall not be answerable for the conduct of attorneys and receivers who have been selected by it with reasonable care, and may in all cases pay compensation to all attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof, and the Bond Trustee shall not be responsible for any misconduct or negligence of any agent or attorney appointed with due care by it.

(d) The Bond Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(e) The Bond Trustee shall be entitled to payment of and/or reimbursement for reasonable fees for its ordinary services rendered hereunder as and when the same become due (which compensation shall not be limited by any provision of law in regard to the compensation of a Bond Trustee of an express trust) and all advances, agent and counsel fees and expenses, and other ordinary expenses reasonably made or incurred by the Bond Trustee in connection with such ordinary services and, if it should become necessary that the Bond Trustee perform extraordinary services, it shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable extraordinary expenses in connection therewith (including attorneys' fees, expenses and disbursements); provided that if such extraordinary services or extraordinary costs and expenses are occasioned by the negligence or willful misconduct of the Bond Trustee, it shall not be entitled to compensation or reimbursement therefor. Upon an Event of Default, the Bond Trustee shall have a lien and right of payment before payment on account of principal of or interest on any Bond, upon all moneys in its possession under any provisions hereof for the foregoing reasonable advances, fees, costs and expenses incurred. The Bond Trustee's right to compensation and indemnification shall survive the satisfaction and discharge of this Bond Indenture or its resignation or removal hereunder and payment in full of the Bonds and defeasance of the Bonds hereunder shall be without prejudice to the right of the Bond Trustee to be paid reasonable compensation for all services rendered hereunder and all reasonable expenses, charges and other disbursements incurred on or about the administration of the trust hereby created and the performance of its powers and duties hereunder (including fees, costs and expenses of its agents and counsel).

(f) Whenever in the administration of the trusts of this Bond Indenture, the Bond Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, then, in the absence of bad faith on the part of the Bond Trustee, and unless other evidence in respect thereof be herein specifically prescribed, the Bond Trustee shall have the right to request and receive a certificate from the Issuer or the Borrower relating to such matter, and any such matter may be deemed to be conclusively proved and established by a certificate of the Issuer or the Borrower delivered to the Bond Trustee and such certificate shall be full warranty to the Bond Trustee for any action taken or suffered by it under the provisions of this Bond Indenture in reliance thereon.

(g) The Bond Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Controlling Owners as provided herein relating to the time, method, and place of conducting any proceeding or any remedy available to the Bond Trustee, or exercising any trust or power conferred upon the Bond Trustee, under this Bond Indenture.

Section 10.06 Certain Permitted Acts. The Bond Trustee may become the Owner of any Bonds with the same rights it would have if it were not the Bond Trustee. To the extent permitted by law, the Bond Trustee may act as depository for, and may permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Bond Indenture, whether or not any such committee shall represent the Owners of a majority in principal amount of the Bonds Outstanding. The provisions of this Section shall extend to affiliates of the Bond Trustee.

Section 10.07 Resignation of Bond Trustee. Except as otherwise provided by a Supplemental Bond Indenture, the Bond Trustee may at any time resign and be discharged of the duties and obligations created by this Bond Indenture, by giving not less than 60 days' written notice to the Issuer of the date it desires to resign and mailing written notice to the Owners of all Bonds, and such resignation and discharge shall take effect immediately on the appointment and acceptance of a successor Bond Trustee.

Section 10.08 Removal of Bond Trustee. So long as an Event of Default has not occurred and is not continuing, the Bond Trustee may be removed, with or without cause, at any time at the Direction of the Issuer, with the consent of the Controlling Party. At any time, the Bond Trustee may be removed, with or without cause, at the written direction of the Controlling Party with a copy of such direction to the Issuer. Notwithstanding the foregoing, any removal of the Bond Trustee shall not be effective until a successor Bond Trustee has been appointed and has assumed the duties and responsibilities of successor Bond Trustee under this Bond Indenture.

Section 10.09 Appointment of Successor Bond Trustee.

(a) In case at any time the Bond Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Bond Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Bond Trustee, or of its property or affairs, a successor may be appointed by the Controlling Party, by an instrument in writing signed and acknowledged by the Controlling Party or by its attorney-in-fact duly authorized and delivered to such successor Bond Trustee, notification thereof being given to the predecessor Bond Trustee. The successor Bond Trustee shall mail notice of the appointment of the successor Bond Trustee to the Issuer and the Owners of all Bonds.

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(b) If no appointment of a successor Bond Trustee shall be made within 45 days after the Bond Trustee shall have given to the Issuer written notice as provided in Section 10.07 or after a vacancy in the office of the Bond Trustee shall have occurred by reason of its inability to act, its removal, or for any other reason whatsoever, the Bond Trustee (in the case of a resignation under Section 10.07) and at the sole cost and expense of the Borrower (including with respect to attorneys' fees and expenses), or the Issuer may apply to any court of competent jurisdiction to appoint a successor Bond Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Bond Trustee or for other appropriate relief, and any such resulting appointment or relief shall be binding upon the Issuer, the Owners, and any and all other parties, and thereafter the Bond Trustee shall have no further duties, responsibilities or obligations hereunder or under any of the Bond Documents to which it is a party.

(c) Any Bond Trustee appointed under the provisions of this Section in succession to the Bond Trustee shall be a bank or trust company or national or state banking association and duly authorized to exercise trust powers and subject to examination by federal or state Issuer and having (or whose parent holding company shall have) reported capital and surplus of not less than $50,000,000.

(d) Notwithstanding anything herein to the contrary, any successor Trustee appointed hereunder shall be subject to the prior written approval of the Issuer.

Section 10.10 Transfer of Rights and Property to Successor Bond Trustee. Any successor Bond Trustee appointed under this Bond Indenture shall execute, acknowledge and deliver to its predecessor Bond Trustee and to the Issuer an instrument accepting such appointment, and thereupon such successor Bond Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties, and obligations of such predecessor Bond Trustee, with like effect as if originally named as Bond Trustee; but the Bond Trustee ceasing to act shall nevertheless, on the Request of the Issuer or of the successor Bond Trustee and on the receipt of its outstanding fees and expenses, execute, acknowledge and deliver such instruments of assignment and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Bond Trustee all rights, powers, duties and obligations in and to any property held by it under this Bond Indenture, and shall pay over, assign and deliver to the successor Bond Trustee any money or other property subject to the trusts and conditions herein set forth. Should any instrument in writing from the Issuer be required by such successor Bond Trustee for more fully and certainly vesting in and confirming to such successor Bond Trustee any such estates, rights, powers and duties, any and all such instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Issuer. Any such successor Bond Trustee shall promptly notify any Registrars and other agents of its appointment as Bond Trustee.

Section 10.11 Merger or Consolidation. Any bank or trust company into which the Bond Trustee may be merged or converted or with which it may be consolidated or any bank or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank or trust company to which the Bond Trustee may sell or transfer all or substantially all of its corporate trust business, provided such entity shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, and shall be authorized by law to perform all duties imposed upon it by this Bond Indenture, shall be the successor Bond Trustee without the execution or filing of any paper or the performance of any further act. The successor Bond Trustee shall mail notice to the Owners of all Outstanding Bonds of the successor Bond Trustee or post such notice on EMMA.

Section 10.12 Adoption of Authentication. If any of the Bonds contemplated to be issued under this Bond Indenture shall have been authenticated but not delivered, any successor Bond Trustee may adopt the certificate of authentication of any predecessor Bond Trustee so authenticating such Bonds and deliver such Bonds so authenticated; and if any such Bonds shall not have been authenticated, any successor Bond Trustee may authenticate such Bonds in the name of the predecessor Bond Trustee, or in the name of the successor Bond Trustee, and in all such cases such certificate shall be of full force and effect.

Section 10.13 Resignation or Removal of Agents and Appointment of Successors.

(a) Any Registrar or other agent may at any time resign and be discharged of the duties and obligations created by this Bond Indenture or any Supplemental Bond Indenture by giving at least 60 days' written notice to the Issuer, the Bond Trustee and the other agents, if any. Any such agent may be removed at any time by an instrument filed with such agent and the Bond Trustee and signed by the Authorized Issuer Representative. Any successor agent shall be appointed by the Issuer and shall be willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it in such capacity by this Bond Indenture.

(b) In the event of the resignation or removal of any agent, such agent shall pay over, assign and deliver any money held by it to its successor, or if there be no successor, to the Bond Trustee. In the event that for any reason there shall be a vacancy in the office of any Registrar appointed by the Issuer, the Bond Trustee shall act as such Registrar.

(c) The provisions of this Section may be modified by a Supplemental Bond Indenture in respect of any Series of Bonds, authorized thereby, and in the event of any conflict with the provisions hereof the provisions of such Supplemental Bond Indenture shall control in respect of any Series of Bonds authorized thereby.

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Section 10.14 Additional Payments. The Bond Trustee shall immediately upon receipt transfer any amounts received from the Borrower in payment for the Annual Issuer's Fee or other Issuer's Fees and Expenses to the Master Trustee.

ARTICLE XI

SUPPLEMENTAL BOND INDENTURES AND AMENDMENT OF BOND DOCUMENTS

Section 11.01 Supplemental Bond Indentures and Amendments of Bond Documents Effective Without Consent of Owners. The Issuer and the Bond Trustee may, as appropriate, from time to time and at any time, without the consent of but with notice to the Owners, enter into Supplemental Bond Indentures or amendments to the Bond Documents as follows:

(a) to cure any formal defect, omission, inconsistency or ambiguity in this Bond Indenture or in the applicable Bond Document;

(b) to insert such provisions clarifying matters or questions arising under this Bond Indenture or in the applicable Bond Document as are necessary or desirable and are not contrary to or inconsistent with this Bond Indenture or the applicable Bond Document as theretofore in effect;

(c) to grant to or confer upon the Bond Trustee for the benefit of the Owners any additional rights, remedies, powers, authority or security which may lawfully be granted or conferred and which are not contrary to or inconsistent with this Bond Indenture or the Bond Documents as theretofore in effect;

(d) [Reserved];

(e) to provide limitations and restrictions in addition to the limitations and restrictions contained in this Bond Indenture or any Supplemental Bond Indenture or the Bond Documents on the delivery of Bonds or the issuance of other evidences of indebtedness;

(f) to add to the covenants and agreements of the Issuer in this Bond Indenture or any Supplemental Bond Indenture or the Bond Documents, other covenants and agreements to be observed by the Issuer or the other parties thereto which are not in conflict with this Bond Indenture or the applicable Supplemental Bond Indentures or in the applicable Bond Document as theretofore in effect, provided that such supplement shall not have a material adverse impact on the Bonds;

(g) to add to the limitations and restrictions in this Bond Indenture or any Supplemental Bond Indenture or the Bond Documents other limitations and restrictions to be observed by the Issuer or the other parties thereto which are not in conflict with this Bond

Indenture or the applicable Supplemental Bond Indentures or in the applicable Bond Documents as theretofore in effect, provided that such supplement shall not have a material adverse impact on the Bonds;

(h) to confirm, as further assurance, any pledge under, and the subjection to any lien or security interest created or to be created by, this Bond Indenture or any Supplemental Bond Indenture, of the Revenues and other assets pledged under this Bond Indenture or of any other moneys, securities or funds, or to subject to the pledge, lien and security interest of this Bond Indenture additional revenues, properties or collateral;

(i) to provide for additional rights of the Bond Trustee in connection with the Revenues and other assets pledged under this Bond Indenture;

(j) to modify, amend or supplement this Bond Indenture or any Supplemental Bond Indenture in such manner as to permit, if presented, the qualification hereof and thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or under any state blue sky law;

(k) to surrender any right, power or privilege reserved to or conferred upon the Issuer by the terms of this Bond Indenture; provided, that the surrender of such right, power or privilege is not in conflict with the covenants and agreements of the Issuer contained in this Bond Indenture;

(l) to designate Registrars and other agents for the Bonds of any Series;

(m) to evidence the appointment or a succession of a new Bond Trustee hereunder;

(n) to modify, amend or supplement this Bond Indenture or any Supplemental Bond Indenture in order to provide for or eliminate book-entry registration of all or any of the Bonds to the extent not inconsistent with the provisions hereof; and

(o) to make any change that does not materially adversely affect the rights of any Owner.

Section 11.02 Supplemental Bond Indentures and Amendments to Bond Documents Requiring Owner Consent. Except as provided in Section 11.01 and in the immediately following sentence, any modification or amendment of this Bond Indenture or to any Bond Document and of the rights and obligations of the Issuer and of the Owners of the Bonds hereunder or thereunder, in any particular, may only be made by a Supplemental Bond Indenture or an amendment to the applicable Bond Document in each instance with the prior written consent of the Controlling Party. No such modification or amendment shall, without the prior written consent of the Owner of each Bond affected thereby, permit (i) a change in the terms of

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redemption or maturity of the principal of any Outstanding Bond or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon, (ii) creation of a lien upon or a pledge of or payment priority from the Revenues ranking prior to or on a parity with the lien or pledge created by this Bond Indenture, (iii) a preference or priority of any Bond or Bonds over any other Bond or Bonds of the same lien priority, (iv) a reduction in the percentages or otherwise affect the classes of Bonds of which the consent of the Owners is required to effect any such modification or amendment, (v) an impairment of the exclusion from gross income for federal income tax purposes of interest on any Tax-Exempt Bond, (vi) a deprivation to any Owners of the pledge, lien and security interest created by this Bond Indenture or (vii) a change or modification of any of the rights or obligations of any agent without its prior written consent thereto. For the purposes of this Section, a Series of Bonds shall be deemed to be affected by a modification or amendment of this Bond Indenture or an amendment to the applicable Bond Document if the same materially adversely affects or diminishes the rights of the Owners of Bonds of such Series. The Bond Trustee may in its discretion determine whether or not, in accordance with the foregoing powers of amendment, Bonds of any particular Series, lien priority or maturity would be affected by any modification or amendment of this Bond Indenture or an amendment to the applicable Bond Document and any such determination shall be binding and conclusive on the Issuer and all Owners. In making any such determination, the Bond Trustee shall be entitled to receive and may conclusively rely upon an opinion of counsel.

Section 11.03 Consent of Owners. The Issuer and the Bond Trustee, as applicable, may at any time enter into a Supplemental Bond Indenture or an amendment to the applicable Bond Document making a modification or amendment permitted by the provisions of Section 11.02, to take effect when and as provided in this Section. A copy of such Supplemental Bond Indenture or amendment to a Bond Document (or brief summary thereof or reference thereto), together with a request to Owners for their consent thereto in form satisfactory to the Bond Trustee, shall be mailed to Owners as provided in Section 11.07 or posted on EMMA. Such Supplemental Bond Indenture or amendment to such Bond Document requiring the consent of all or any of the Owners will be effective when: (a) there shall have been filed with the Bond Trustee the written consent of such Owners of the percentages of Outstanding Bonds specified in Section 11.02 required to consent to such amendment, and an opinion of Bond Counsel, to the effect that such Supplemental Bond Indenture has been duly and lawfully entered into by the Issuer in accordance with the provisions of this Bond Indenture, is authorized or permitted by this Bond Indenture, is valid and binding upon the Issuer, is in accordance with this Bond Indenture and will not, in and of itself, cause interest on any Tax-Exempt Bonds to be includible in gross income for federal income tax purposes; provided, that such opinion may take exception for limitations imposed by or resulting from bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally, to the application of equitable principles, judicial discretion in appropriate cases, and principles of government law (including limitations on legal remedies against governmental units, such as the Issuer, in the State). Each such written consent shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by

Section 13.01. The Bond Trustee may rely upon any such documentation received in accordance with Section 13.01. A certificate or certificates by the Bond Trustee filed with the Issuer that the Bond Trustee has received documentation in accordance with Section 13.01 shall be conclusive that the consents have been given by the Owners of the Bonds described in such certificate or certificates of the Bond Trustee. Any such consent shall be binding upon the Owner of the Bonds giving such consent and, anything in Section 13.01 to the contrary notwithstanding, upon any subsequent Owner of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Owner thereof has notice thereof) unless such consent is revoked in writing by the Owner of such Bonds giving such consent or a subsequent Owner thereof by filing such revocation with the Bond Trustee prior to the time when the written statement of the Bond Trustee hereinafter in this Section provided for is filed. The fact that a consent has not been revoked may likewise be proved by a certificate of the Bond Trustee to the effect that no revocation thereof is on file with the Bond Trustee. At any time after the Owners of the required percentages of Bonds shall have filed their consents to the Supplemental Bond Indenture or amendment to a Bond Document, the Bond Trustee shall make and file with the Issuer a written statement that the Owners of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive evidence that such consents have been so filed. Upon receipt of the requisite consents, filing of the written statement of the Bond Trustee required hereunder and the execution of such amendment by the parties thereto, notice, stating in substance that the Supplemental Bond Indenture (which may be referred to as a Supplemental Bond Indenture entered into by the Issuer and the Bond Trustee as of a stated date, a copy of which is on file with the Bond Trustee) or other amendment to the Bond Documents has been consented to by the Owners of the required percentages of Bonds and will be effective as provided in this Section, shall be given by Bond Trustee to Owners by mailing such notice to Owners, or posting such notice on EMMA, immediately thereafter. Such Supplemental Bond Indenture or amendment to a Bond Document making such amendment or modification shall become effective and shall be deemed conclusively binding upon the Issuer, the Bond Trustee, their respective agents and the Owners of all Bonds after completion by the Bond Trustee of the mailing or posting of the notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Bond Indenture or amendment to a Bond Document in a legal action or equitable proceeding for such purpose commenced prior to such mailing; provided, that any agent and the Issuer prior to such mailing and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Bond Indenture or amendment to a Bond Document as they may deem expedient.

Section 11.04 Amendment of Particular Bonds. The provisions of this Article shall not prevent any Owner from accepting any amendment as to the particular Bonds held by such Owner, provided that due notation thereof is made on such Bonds.

Section 11.05 General Provisions.

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(a) This Bond Indenture and the Bond Documents shall not be modified or amended in any respect except as provided in, in accordance with and subject to provisions of this Article.

(b) Any Supplemental Bond Indenture or amendment to a Bond Document referred to and permitted or authorized by Section 11.01 may be entered into by the Issuer and the Bond Trustee, as applicable, without the consent of any of the Owners, but shall become effective only (i) after the parties thereto have duly executed such Supplemental Bond Indenture or Bond Document, (ii) following written notice of the proposed supplement or amendment provided to the Owners and (iii) if such Supplemental Bond Indenture or amendment meets the conditions, and to the extent provided, in Section 11.01. Prior to entering into any Supplemental Bond Indenture or amendment to a Bond Document, the Bond Trustee shall receive an opinion of Bond Counsel, to the effect that such Supplemental Bond Indenture or amendment to a Bond Document has been duly and lawfully entered into by the Issuer in accordance with the provisions of this Bond Indenture, is authorized or permitted by this Bond Indenture, and is valid and binding upon the Issuer, will not be materially adverse to the interests of the Owners and will not, in and of itself, cause the interest on any of the Tax-Exempt Bonds to be includible in gross income for federal income tax purposes.

Section 11.06 Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as provided in this Article may, and, if the Bond Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the Bond Trustee as to such action, and in that case upon demand of the Owner of any Bond Outstanding at such effective date and presentation of such Owner's Bond for the purpose at the Designated Office of the Bond Trustee or other agent responsible for transferring Bonds or upon any transfer of any Bond Outstanding at such effective date, suitable notation shall be made on such Bond or upon any Bond issued upon any such transfer by the Bond Trustee or other agent responsible for transferring Bonds as to any such action. If the Bond Trustee shall so determine, new Bonds so modified as directed by the Bond Trustee to conform to such action shall be prepared, authenticated and delivered, and upon demand of the Owner of any Bond Outstanding shall be exchanged, without cost to such Owner, for Bonds Outstanding, upon surrender of such Bonds, for Bonds of the same Series and maturity then Outstanding.

Section 11.07 Mailing. Any provision in this Article for the mailing of a notice or other instrument to Owners shall be fully complied with if it is mailed postage prepaid to each Owner of Bonds at the address, if any, appearing upon the Register and to the Bond Trustee.

ARTICLE XII

[RESERVED]

ARTICLE XIII

MISCELLANEOUS

Section 13.01 Evidence of Signatures of Owners and Ownership of Bonds.

(a) Any request, consent, revocation of consent or other instrument which this Bond Indenture may require or permit to be signed and executed by the Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys appointed in writing. Proof of the execution of any such instrument, or of an instrument appointing any such attorney, shall be sufficient for any purpose of this Bond Indenture (except as otherwise herein expressly provided) if made in the following manner, or in any other manner satisfactory to the Bond Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(1) The fact and date of the execution by any Owner or such Owner's attorney of such instruments may be proved by a guarantee of the signature thereon by a bank or trust company or member of a national securities exchange or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the person signing such request or other instrument acknowledged the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution by an officer of a corporation or association or a member of a partnership, purports to be on behalf of such corporation, association or partnership, such signature guarantee, certificate or affidavit shall also constitute sufficient proof of such officer's or member's authority.

(2) The amount of Bonds transferable by delivery held by any Person executing any instrument as an Owner, the date of such Person's holding such Bonds, and the numbers and other identification of such Bonds, may be proved by a certificate, which need not be acknowledged or verified, in form satisfactory to the Bond Trustee, executed by the Bond Trustee or by a member of a financial firm or by an officer of a bank, trust company, insurance company or financial corporation or other depository wherever situated, showing at the date mentioned that such person exhibited to such member or officer or had on deposit with such depository the Bonds described in such certificate. Such certificate may be given by a member of a financial firm or by an officer of any bank, trust company, insurance company or financial corporation or depository with respect to Bonds owned by it, if acceptable to the Bond Trustee. In addition to the foregoing provisions, the Bond Trustee may from time to time make such reasonable regulations as it may deem advisable permitting other proof of holding of Bonds transferable by delivery.

(b) The ownership of Bonds and the amount, numbers and other identification, and date of holding the same shall be provided by the Registrar.

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(c) Any request or consent by the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Issuer or any agent in accordance herewith.

(d) In determining whether the Owners of the requisite percentage of the Series of Bonds have been met for any request, consent, approval or other action required hereunder from such Owners, such requisite percentage shall be based upon the principal amount of all of the Bonds of such Series then Outstanding.

Section 13.02 Money Held for Particular Bonds. Subject to the provisions of Section 13.04, the amounts held by the Bond Trustee for the payment of the interest or principal or Redemption Price due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of the Bonds entitled thereto.

Section 13.03 Preservation and Inspection of Documents. All documents received by the Bond Trustee under the provisions of this Bond Indenture shall be retained in its possession and shall be subject at all reasonable times upon reasonable notice to the inspection of the Issuer, and any Owner and their agents and their representatives, any of whom may make copies thereof at the expense of the party so requesting.

Section 13.04 Parties Interested Herein. Nothing in this Bond Indenture or any Supplemental Bond Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person, other than the Issuer, the Bond Trustee and the Owners, any right, remedy or claim under or by reason of this Bond Indenture or any Supplemental Bond Indenture or any covenant, condition or stipulation hereof or thereof; and all the covenants, stipulations, promises and agreements in this Bond Indenture and each Supplemental Bond Indenture contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Bond Trustee and the Owners thereunto appertaining.

Section 13.05 No Recourse on the Bonds. No recourse shall be had for the payment of the principal or Redemption Price of or interest on the Bonds or for any claim based thereon or for any other obligation under this Bond Indenture or on any Supplemental Bond Indenture against any officer or employee of the Issuer or the Bond Trustee or any person executing or authenticating the Bonds.

Section 13.06 No Issuer or Individual Liability. No Issuer Indemnified Parties shall be individually or personally liable for the payment of any principal, Redemption Price, or interest on the Bonds or any costs incidental thereto or any sum hereunder or under the Loan Agreement or any claim based thereon, or be subject to any personal liability or accountability by reason of the execution and delivery of this Bond Indenture or the Loan Agreement.

Section 13.07 Bond Indenture and Supplemental Bond Indentures to Constitute Contracts. The rights of any persons to indemnity hereunder and rights to payment of fees and reimbursement of expenses shall survive the final payment or defeasance of the Bonds and in the case of the Bond Trustee any resignation or removal. The provisions of this Section shall remain valid and in effect notwithstanding payment, redemption or defeasance of the Bonds or termination of this Bond Indenture. In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time, this Bond Indenture and each Supplemental Bond Indenture shall be deemed to be and shall constitute a contract among the Issuer, the Bond Trustee and the Owners; and the pledge made in this Bond Indenture and the covenants and agreements herein to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as otherwise provided in or permitted by this Bond Indenture or Supplemental Bond Indenture.

Section 13.08 Notice. Any notice, demand, direction, request or other instrument authorized or required by this Bond Indenture to be given to or filed with the Issuer or the Bond Trustee shall be deemed to have been given only upon receipt. Any notice shall be sent by (i) e-mail or (ii) facsimile, and in either case followed by a hard copy via registered or certified mail or by overnight delivery, postage prepaid, to the address specified below or to such other address as may be designated in writing by the parties:

Issuer: Capital Trust Authority
315 Fairpoint Drive
Gulf Breeze, Florida 32561
Attention: Executive Director
Phone: (850) 934-4046

with copy to: Bryant Miller Olive P.A.
400 North Tampa Street, Suite 1600
Tampa, Florida 33602
Attention: Kareem J. Spratling, Esq.
Phone: (813) 273-6677
Email: kspratling@bmolaw.com

Bond Trustee: UMB BANK, N.A.
7155 Lake Drive, Suite 120
West Des Moines, Iowa 50266
Attention: Minda Barr
Phone: (515) 368-6064
Email: Minda.barr@umb.com

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Section 13.09 Governing Law. This Bond Indenture and each Supplemental Bond Indenture shall be governed in all respects, including validity, interpretation and effect, by, and shall be enforceable in accordance with, the laws of the State without regard to conflict of laws principles. Subject to the rights of the Bond Trustee to assert claims and take actions with respect to the Projects in the states in which the Projects are located, all claims of whatever character arising out of this Bond Indenture or any Supplemental Bond Indenture, or under any statute or common law relating in any way, directly or indirectly, to the subject matter hereof or to the dealings between the Issuer and any other party hereto, if and to the extent that such claim potentially could or actually does involve the Issuer or any Issuer Indemnified Party, shall be brought in any state or federal court of competent jurisdiction located in Santa Rosa County, Florida. By executing and delivering this Bond Indenture, each party hereto irrevocably; (i) accepts generally and unconditionally the exclusive jurisdiction and venue of such courts; (ii) waives any defense of *forum non conveniens*; (iii) agrees not to seek removal of such proceedings to any court or forum other than as specified above. The foregoing shall not be deemed or construed to constitute a waiver by the Issuer of any prior notice or procedural requirements applicable to actions or claims against or involving joint powers commissions or governmental units of the State that may exist at the time of and in connection with such matter. The Issuer does not waive its right to a trial by jury.

Section 13.10 Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this Bond Indenture or any Supplemental Bond Indenture on the part of the Issuer or the Bond Trustee to be performed shall be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Bond Indenture or any Supplemental Bond Indenture.

Section 13.11 Successors. Whenever in this Bond Indenture or any Supplemental Bond Indenture the Issuer or the Bond Trustee is named or referred to, it shall be deemed to include any entity succeeding to the principal functions and powers of the Issuer or the Bond Trustee, as appropriate, and all the covenants and agreements in this Bond Indenture and each Supplemental Bond Indenture by or on behalf of the Issuer or the Bond Trustee shall bind and inure to the benefit of said successor whether so expressed or not. Notwithstanding the foregoing, it is specifically acknowledged and agreed that, to the extent of their rights hereunder (including, without limitation, their rights to immunity and exculpation from pecuniary liability), each Issuer Indemnified Party is a third-party beneficiary of this Bond Indenture entitled to enforce such rights in his, her, its, or their own name.

Section 13.12 Business Days. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Bond Indenture, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date

provided in this Bond Indenture, and no interest shall accrue for the period after such nominal date.

Section 13.13 Execution in Several Counterparts. This Bond Indenture may be simultaneously executed in several counterparts, all of which shall constitute one and the same instrument and each of which shall be, and shall be deemed to be, an original. The parties hereto agree the transactions described herein may be conducted and related documents may be sent and stored by electronic means.

Section 13.14 Non-Liability of Issuer; Other Issuer Provisions. The Issuer shall not be obligated to pay the principal of, Redemption Price, or interest on the Bonds or any costs incidental thereto, including the costs and expenses of the Projects and indemnification of the Bond Trustee, except as payable from Revenues available therefor under this Bond Indenture. The Issuer shall not be directly, indirectly, contingently or otherwise liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind on any conceivable theory, under or by reason of or in connection with this Bond Indenture, any Supplemental Bond Indenture, the Bonds or the Loan Agreement or any other documents related to the Bonds or the Projects, except only to the extent amounts are received for the payment thereof from the Borrower under the Loan Agreement.

The Bond Trustee hereby acknowledges that the Issuer's sole source of moneys to repay the Bonds will be provided by the Revenues available therefor under this Bond Indenture, and hereby agrees that if such amounts shall ever prove insufficient to pay all principal of, premium, if any, and interest on the Bonds as the same shall become due (whether by maturity, redemption, acceleration or otherwise) or any costs incidental thereto, then the Bond Trustee shall give notice to the Borrower in accordance with Section 9.03 to pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal, premium, if any, or interest, or costs incidental thereto including, but not limited to, any deficiency caused by acts, omissions, nonfeasance or malfeasance on the part of the Bond Trustee, the Borrower, the Issuer or any third party, subject to any right of reimbursement from the Bond Trustee, the Issuer or any such third party, as the case may be, therefor.

Notwithstanding anything to the contrary contained herein or in any of the Bonds, the Bond Documents or the Borrower Documents, or in any other instrument or document executed by or on behalf of the Issuer in connection herewith, (i) the Issuer shall have no obligation to take action under the Loan Agreement, this Bond Indenture, the Bonds or such other instruments or documents, unless the Issuer is reasonably requested in writing by an appropriate person to take such action and is provided with indemnity and assurances satisfactory to it of payment of or reimbursement for any indemnity to persons identified by the Issuer, and expenses (including attorneys' fees) in such action, (ii) neither the Issuer nor any member, director, officer, employee, attorney or agent of the Issuer shall be personally liable to the Borrower, the Bond Trustee, Beneficial Owners of the Bonds or any other person for any action taken by the Issuer or by its officers, agents or employees or for any failure to take action under this Bond Indenture, the

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Loan Agreement, the Bonds or such other instruments or documents, except that the Issuer agrees to take, or to refrain from taking, any action if so required by an injunction or if required to comply with any final judgment for specific performance, and (iii) any judgment rendered against the Issuer for breach of its obligations under this Bond Indenture, the Loan Agreement, the Bonds or such other instruments or documents, shall be payable solely from the revenues derived by the Issuer under the Loan Agreement and this Bond Indenture, and no personal liability or charge payable directly or indirectly from the general funds of the Issuer shall arise therefrom.

No agreements or provisions contained in this Bond Indenture nor any agreement, covenant or undertaking by the Issuer contained in any document executed by the Issuer in connection with the Projects or the issuance, sale and delivery of the Bonds shall give rise to any pecuniary liability of the Issuer or a charge against its general credit, or shall obligate the Issuer financially in any way except with respect to the application of revenues therefrom and the proceeds of the Bonds. No failure of the Issuer to comply with any term, condition, covenant or agreement herein shall subject the Issuer, its incorporators, members, directors, officers, employees, agents and counsel to liability for any claim for damages, costs or other financial or pecuniary charge except to the extent that the same can be paid or recovered from the Loan Agreement or revenues therefrom that have been pledged to payment of the Bonds or proceeds of the Bonds. Nothing herein shall preclude a proper party in interest from seeking and obtaining, to the extent permitted by law, specific performance against the Issuer for any failure to comply with any term, condition, covenant or agreement herein; provided, that (i) prior to the official filing of any petition or complaint against the Issuer, provision shall have been made in a manner satisfactory to the Issuer, for payment of its costs and expenses relating to any such petition or complaint and (ii) no costs, expenses, damages or other monetary relief shall be recoverable from the Issuer or its members, trustees, officers, directors, employees, agents and counsel except as may be payable from funds paid pursuant to or recovered in accordance with the Loan Agreement or revenues therefrom that have been pledged to payment of the Bonds or the proceeds of the Bonds.

The Issuer shall be under no obligation to institute any suit or to take any remedial proceeding in the Event of a Default under this Bond Indenture or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of any of the trusts hereby created or in the enforcement of any rights and powers hereunder, including, without limitation, its acceptance or possession of a Project or any component thereof, until it shall be indemnified to its satisfaction against any and all costs, expenses, outlays and counsel fees and other disbursements, and against all liability. The Issuer nevertheless may, in its sole discretion, but is not required to, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Issuer, without indemnity, and in such case the Issuer shall be entitled to reimbursement from any money under this Bond Indenture and, subject to the prior rights of the Bond Trustee, shall be entitled to a preference therefor over any Bonds Outstanding hereunder.

The Issuer shall be entitled to advice of counsel concerning all matters under this Bond Indenture and its duties under this Bond Indenture or the other Bond Documents. The Issuer may in all cases pay such compensation to such attorneys, agents and receivers and shall be entitled to reimbursement from the Borrower for all such compensation paid. The Issuer may act upon the opinion or advice of counsel, accountants, or such other professionals as the Issuer deems necessary and selected by it. The Issuer shall not be responsible for any loss or damage resulting from any action or nonaction based on its good faith reliance upon such opinion or advice.

The permissive right of the Issuer to do things enumerated in this Bond Indenture or in the other Bond Documents to which the Issuer is a party shall not be construed as duties until specifically undertaken by the Issuer. The Issuer shall only be responsible for the performance of the duties expressly set forth in this Bond Indenture or in the other Bond Documents to which it is a party and shall not be answerable for other than its willful misconduct in the performance of those express duties.

The Issuer shall be protected in acting upon any Opinion of Counsel, notice, request, consent, direction, requisition, certificate, order, affidavit, letter, or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons and which is not contrary to the express terms of this Bond Indenture or the other Bond Documents. Any action taken by the Issuer pursuant thereto upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Beneficial Owner of any Bond as shown on the bond register will be conclusive and binding upon all future Beneficial Owners of the same Bonds and upon Bonds issued in exchange therefor or in place of such Bonds.

Section 13.15 No Obligation to Enforce Assigned Rights. Notwithstanding anything to the contrary in this Bond Indenture, the Issuer shall have no obligation to and instead the Bond Trustee or the Owners, as the case may be, in accordance with this Bond Indenture or the Loan Agreement, shall have the right, without any direction from or action by the Issuer, to take any and all steps, actions and proceedings, to enforce any or all rights of the Issuer (other than the Issuer's Reserved Rights) under this Bond Indenture or the Loan Agreement, including, without limitation, the rights to enforce the remedies upon the occurrence and continuation of an Event of Default and the obligations of the Borrower under the Loan Agreement.

Section 13.16 Issuer's Performance. None of the provisions of this Bond Indenture shall require the Issuer to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless payable from the Revenues available therefor under this Bond Indenture, or unless the Issuer shall first have been adequately indemnified to its satisfaction against the cost, expense, and liability which may be incurred thereby. The Issuer shall not be under any obligation hereunder to perform any administrative service with respect to the Bonds or the Projects (including, without limitation, record keeping and legal services), it being understood that such services shall be performed or provided by the Bond Trustee or the Borrower The Issuer covenants that it

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will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions expressly contained in this Bond Indenture, the Loan Agreement, and any and every Bond executed, authenticated and delivered hereunder; provided, however, that the Issuer shall not be obligated to take any action or execute any instrument pursuant to any provision hereof unless and until it shall have (i) been directed to do so in writing by the Bond Trustee or the Owners having the authority to so direct; (ii) received from the Person requesting such action or execution assurance satisfactory to the Issuer that the Issuer's expenses incurred or to be incurred in connection with taking such action or executing such instrument have been or will be paid or reimbursed to the Issuer; and (iii) if applicable, received in a timely manner the instrument or document to be executed, in form and substance satisfactory to the Issuer.

In complying with any provision herein or in the Loan Agreement, including but not limited to any provision requiring the Issuer to "cause" another Person to take or omit any action, the Issuer shall be entitled to rely conclusively (and without independent investigation or verification) (i) on the faithful performance by the Bond Trustee or the Borrower, as the case may be, of their respective obligations hereunder and under the Loan Agreement and (ii) upon any written certification or opinion furnished to the Issuer by the Bond Trustee or the Borrower, as the case may be. In acting, or in refraining from acting, under this Agreement, the Issuer may conclusively rely on the advice of its counsel. The Issuer shall not be required to take any action hereunder or under the Loan Agreement that it reasonably believes to be unlawful or in contravention hereof or thereof.

Section 13.17 No Impairment of Rights. Nothing herein shall be deemed or construed to limit, impair or affect in any way the Issuer's (or any Issuer Indemnified Party's) right to enforce the Issuer's Reserved Rights, regardless of whether there is then existing an Event of Default (including, without limitation, a payment default), or any action based thereon or occasioned by an Event of Default or alleged Event of Default, and regardless of any waiver or forbearance granted by the Bond Trustee or any Owner in respect thereof. Any default in respect of the Issuer's Reserved Rights may only be waived with the Issuer's written consent.

[Remainder of Page Intentionally Left Blank | Signature Page Follows]

IN WITNESS WHEREOF, the Issuer has caused this Bond Indenture to be executed on its behalf by an Authorized Issuer Representative, and the Bond Trustee has caused this Bond Indenture to be executed on its behalf by its duly authorized representative, all as of the day and year first written above.

CAPITAL TRUST AUTHORITY

By: _____
Name: Chris Kemp
Title: Chair

ATTEST:

By: _____
Name: Cherry Fitch
Title: Secretary

[First Signature Page | Bond Indenture]

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UMB BANK, N.A., as Bond Trustee

By: _____
Authorized Representative

[Second Signature Page | Bond Indenture]

EXHIBIT A

FORMS OF SERIES 2025A BONDS

REGISTERED REGISTERED

No. RA-[1][2]-____ $_____

CAPITAL TRUST AUTHORITY
[TAXABLE] SENIOR LIVING FACILITIES
SENIOR LIEN REVENUE BONDS, SERIES 2025A
(ALPHA LIFESTYLE PARTNERS, INC. PROJECT)

THIS BOND MAY NOT BE TRANSFERRED BY THE REGISTERED OWNER HEREOF (I) EXCEPT IN AUTHORIZED DENOMINATIONS AND (II) TO ANY PERSON OTHER THAN TO A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT OF 1933, AS AMENDED) OR AN "ACCREDITED INVESTOR" (AS DEFINED IN REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED) UNLESS THE BOND TRUSTEE AND THE ISSUER HAVE RECEIVED AN INVESTMENT GRADE NOTICE AS MORE PARTICULARLY DESCRIBED IN THE BOND INDENTURE.

Interest Rate	Maturity Date	Dated Date	CUSIP No.
[___]%	January 1, 20**[__]**	_____ __, 2025	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The Capital Trust Authority (the "Issuer"), for value received, hereby promises to pay upon surrender hereof at the designated corporate trust office of UMB Bank, N.A., or any successor thereto (the "Bond Trustee"), solely from the sources and as herein and in the Bond Indenture provided and permitted, to the Registered Owner hereof, the principal sum stated above on the maturity date stated above, subject to prior redemption as herein provided, and to pay, solely from such sources, interest hereon semiannually on each January 1 and July 1 (each, an "Interest Payment Date"), beginning January 1, 2026, at the Interest Rate stated above. Interest is payable from (a) the Dated Date set forth above, if this Series 2025A Bond is authenticated prior to January 1, 2026, or (b) otherwise from the January 1 or July 1, that is, or immediately precedes, the date on which this Series 2025A Bond is authenticated (unless

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payment of interest hereon is in default, in which case this Series 2025A Bond shall bear interest from the date to which interest has been paid). Interest is payable on each Interest Payment Date (1) by check mailed on such date to the Owner hereof at such Owner's address as it appears on the Register, as defined in the Bond Indenture, as hereafter defined, as of the close of business on the 15th day of the calendar month (whether or not a Business Day) preceding such Interest Payment Date (the "Record Date"), or (2) by wire transfer in accordance with a written notice and completed wire instructions for a wire transfer address in the United States provided by the Owner hereof to the Bond Trustee not less than 15 days prior to such Interest Payment Date (which notice may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked by subsequent notice); provided, that such wire transfer shall only be made for a registered owner of $1,000,000 or more in aggregate principal amount of the Series 2025A Bonds as of the close of business on the Record Date for such Interest Payment Date. This Series 2025A Bond shall be payable as to principal and Redemption Price, as defined in the Bond Indenture, and interest in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THIS SERIES 2025A BOND IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY OUT OF THE TRUST ESTATE. THIS SERIES 2025A BOND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE CITY OF GULF BREEZE, FLORIDA OR THE CITY OF QUINCY, FLORIDA (COLLECTIVELY, "THE SPONSORING POLITICAL SUBDIVISIONS"), THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS SERIES 2025A BOND. NO COVENANT OR AGREEMENT CONTAINED IN THIS SERIES 2025A BOND OR THIS BOND INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING THIS SERIES 2025A BOND BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE SERIES 2025A BONDS. THE ISSUER HAS NO TAXING POWER.

No recourse under or upon any obligation, covenant or agreement contained in the Bond Documents or the Borrower Documents, or under any judgment obtained against the Issuer, or

the enforcement of any assessment, or any legal or equitable proceedings by virtue of any constitution or statute or otherwise, or under any circumstances under or independent of the Bond Indenture, or any claim based thereon or otherwise in respect thereof shall be had against the Sponsoring Political Subdivisions or the Issuer or any incorporator, member, director, officer, employee, agent or counsel as such, past, present or future of the Issuer or the Sponsoring Political Subdivisions, either directly or through the Issuer, the Bond Trustee or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to the Owner of any Series 2025A Bond issued under the Bond Indenture, or otherwise, of any sum that may be due and unpaid by the Issuer upon any such Bond. Any and all personal liability of every nature whether at common law or in equity or by statute or by constitution or otherwise of any such incorporator, member, director, officer, employee, agent or counsel, as such, to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Owner of any Series 2025A Bond issued under the Bond Indenture or otherwise of any sum that may remain due and unpaid upon this Series 2025A Bond thereby secured or any of them is, by the acceptance hereof, expressly waived and released as a condition of and in consideration for the execution of the Bond Indenture and the issuance of the Series 2025A Bonds.

This Series 2025A Bond is one of an issue of $[A PAR] Capital Trust Authority Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025A Bonds"), issued for the purpose of making a loan to Alpha Lifestyle Partners, Inc., a Delaware nonstock corporation (the "Borrower") to finance the acquisition by the Borrower of the Projects, as defined in the Bond Indenture, and for certain other purposes.

This Series 2025A Bond and the premium, if any, and the interest hereon are special limited obligations of the Issuer and are payable solely from the Revenues, as defined in the Bond Indenture, and other assets pledged under the Bond Indenture, all in accordance with the Bond Indenture.

The Series 2025A Bonds are issued under a Bond Indenture dated as of _____ 1, 2025 (the "Bond Indenture"), between the Issuer and the Bond Trustee. Reference is hereby made to the Bond Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer, the rights of the Owners, as defined in the Bond Indenture, of the Series 2025A Bonds and the terms upon which the Series 2025A Bonds are issued and secured. Concurrently with the issuance of the Series 2025A Bonds, the Issuer is issuing its Capital Trust Authority Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025B Bonds") in the initial principal amount of $[B PAR], and its Capital Trust Authority Senior Living Facilities Third Lien Revenue Bonds, Series 2025C (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025C Bonds") in the initial principal amount of $[C PAR].

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The Series 2025A Bonds are subject to redemption on the dates, and upon the terms and conditions, set forth in the Bond Indenture.

No Owner of any Series 2025A Bond shall have any right to institute any suit, action or proceedings at law or in equity for the appointment of a receiver or for any other remedy under the Bond Indenture or by reason thereof, except to the extent and in the circumstances permitted by the Bond Indenture.

The Issuer and the Bond Trustee may deem and treat the person in whose name this Series 2025A Bond shall be registered in the Register as the absolute owner of this Series 2025A Bond, whether this Series 2025A Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price of and interest on this Series 2025A Bond and for all other purposes, and the Issuer and the Bond Trustee shall not be affected by any notice to the contrary. Notwithstanding the foregoing, interest on this Series 2025A Bond, other than interest payable at maturity or on a Redemption Date, shall be paid to the Person, as defined in the Bond Indenture, in whose name this Series 2025A Bond is registered on the Register at the close of business on the Record Date for such Interest Payment Date.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Series 2025A Bond have happened, exist and have been performed.

This Series 2025A Bond shall not be valid or entitled to any security or benefit under the Bond Indenture until the Bond Trustee shall have manually executed the certificate of authentication appearing hereon and inserted the date of authentication hereon.

IN WITNESS WHEREOF, the Issuer has caused this Series 2025A Bond to be executed by its Chair by his manual or facsimile signature and has caused this Series 2025A Bond to be attested by its [Secretary] by his manual or facsimile signature, all as of the Dated Date set forth above.

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CAPITAL TRUST AUTHORITY

By: _____
Name: Chris Kemp
Title: Chair

ATTEST:

By: _____
Name:
Title: [Secretary]

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CERTIFICATE OF AUTHENTICATION

This Series 2025A Bond is one of the Series 2025A Bonds of the issue described in the within-mentioned Bond Indenture.

Dated: _____ __, 2025

UMB BANK, N.A.,
as Bond Trustee

By: _____
Authorized Officer

CERTIFICATE OF VALIDATION

This Series 2025A Bond is one of a Series of Bonds which were validated by final judgment of the Circuit Court of the Second Judicial Circuit, Leon County, Florida rendered on [May 14, 2024].

By: _____
Chair

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ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Series 2025A Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer the same on the registration books maintained by the Bond Trustee with full power of substitution in the premises.

Dated: _____ _____

Note: The signature(s) to this Assignment must correspond with the Registered Owner of the within Series 2025A Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

_____

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange, the National Association of Securities Dealers or a commercial bank or trust company.

Social Security Number, Taxpayer Identification Number or Other Identifying Number of Assignee:

_____

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EXHIBIT B

FORM OF SERIES 2025B BONDS

REGISTERED	REGISTERED
No. RB-__	$_____

CAPITAL TRUST AUTHORITY
SENIOR LIVING FACILITIES
JUNIOR LIEN REVENUE BONDS, SERIES 2025B
(ALPHA LIFESTYLE PARTNERS, INC. PROJECT)

THIS BOND MAY NOT BE TRANSFERRED BY THE REGISTERED OWNER HEREOF (I) EXCEPT IN AUTHORIZED DENOMINATIONS AND (II) TO ANY PERSON OTHER THAN TO A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT OF 1933, AS AMENDED) OR AN "ACCREDITED INVESTOR" (AS DEFINED IN REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED) UNLESS THE BOND TRUSTEE AND THE ISSUER HAVE RECEIVED AN INVESTMENT GRADE NOTICE AS MORE PARTICULARLY DESCRIBED IN THE BOND INDENTURE.

Interest Rate	Maturity Date	Dated Date	CUSIP No.
[___]%	January 1, 20[__]	_____, 2025	

REGISTERED OWNER:	CEDE & CO.
PRINCIPAL AMOUNT:	_____ DOLLARS

The Capital Trust Authority (the "Issuer"), for value received, hereby promises to pay upon surrender hereof at the designated corporate trust office of UMB Bank, N.A., or any successor thereto (the "Bond Trustee"), solely from the sources and as herein and in the Bond Indenture provided and permitted, to the Registered Owner hereof, the principal sum stated above on the maturity date stated above, subject to prior redemption as herein provided, and to pay, solely from such sources, interest hereon semiannually on each January 1 and July 1 (each, an "Interest Payment Date"), beginning January 1, 2026, at the Interest Rate stated above. Interest is payable from (a) the Dated Date set forth above, if this Series 2025B Bond is authenticated prior to January 1, 2026, or (b) otherwise from the January 1 or July 1, that is, or immediately precedes, the date on which this Series 2025B Bond is authenticated (unless payment of interest hereon is in default, in which case this Series 2025B Bond shall bear interest

from the date to which interest has been paid). Interest is payable on each Interest Payment Date (1) by check mailed on such date to the Owner hereof at such Owner's address as it appears on the Register, as defined in the Bond Indenture, as hereafter defined, as of the close of business on the 15th day of the calendar month (whether or not a Business Day) preceding such Interest Payment Date (the "Record Date"), or (2) by wire transfer in accordance with a written notice and completed wire instructions for a wire transfer address in the United States provided by the Owner hereof to the Bond Trustee not less than 15 days prior to such Interest Payment Date (which notice may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked by subsequent notice); provided, that such wire transfer shall only be made for a registered owner of $1,000,000 or more in aggregate principal amount of the Series 2025B Bonds as of the close of business on the Record Date for such Interest Payment Date. This Series 2025B Bond shall be payable as to principal and Redemption Price, as defined in the Bond Indenture, and interest in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THIS SERIES 2025B BOND IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY OUT OF THE TRUST ESTATE. THIS SERIES 2025B BOND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE CITY OF GULF BREEZE, FLORIDA OR THE CITY OF QUINCY, FLORIDA (COLLECTIVELY, "THE SPONSORING POLITICAL SUBDIVISIONS"), THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS SERIES 2025B BOND. NO COVENANT OR AGREEMENT CONTAINED IN THIS SERIES 2025B BOND OR THIS BOND INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING THIS SERIES 2025B BOND BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE SERIES 2025B BONDS. THE ISSUER HAS NO TAXING POWER.

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No recourse under or upon any obligation, covenant or agreement contained in the Bond Documents or the Borrower Documents, or under any judgment obtained against the Issuer, or the enforcement of any assessment, or any legal or equitable proceedings by virtue of any constitution or statute or otherwise, or under any circumstances under or independent of the Bond Indenture, or any claim based thereon or otherwise in respect thereof shall be had against the Sponsoring Political Subdivisions or the Issuer or any incorporator, member, director, officer, employee, agent or counsel as such, past, present or future of the Issuer or the Sponsoring Political Subdivisions, either directly or through the Issuer, the Bond Trustee or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to the Owner of any Series 2025B Bond issued under the Bond Indenture, or otherwise, of any sum that may be due and unpaid by the Issuer upon any such Bond. Any and all personal liability of every nature whether at common law or in equity or by statute or by constitution or otherwise of any such incorporator, member, director, officer, employee, agent or counsel, as such, to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Owner of any Series 2025B Bond issued under the Bond Indenture or otherwise of any sum that may remain due and unpaid upon this Series 2025B Bond thereby secured or any of them is, by the acceptance hereof, expressly waived and released as a condition of and in consideration for the execution of the Bond Indenture and the issuance of the Series 2025B Bonds.

This Series 2025B Bond is one of an issue of $[B PAR] Capital Trust Authority Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025B Bonds"), issued for the purpose of making a loan to Alpha Lifestyle Partners, Inc., a Delaware nonstock corporation (the "Borrower") to finance the acquisition by the Borrower of the Projects, as defined in the Bond Indenture, and for certain other purposes.

This Series 2025B Bond and the premium, if any, and the interest hereon are limited obligations of the Issuer and are payable from the Revenues, as defined in the Bond Indenture, and other assets pledged under the Bond Indenture, all in accordance with the Bond Indenture.

The Series 2025B Bonds are issued under a Bond Indenture dated as of _____ 1, 2025 (the "Bond Indenture"), between the Issuer and the Bond Trustee. Reference is hereby made to the Bond Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer, the rights of the Owners, as defined in the Bond Indenture, of the Series 2025B Bonds and the terms upon which the Series 2025B Bonds are issued and secured. Concurrently with the issuance of the Series 2025B Bonds, the Issuer is issuing its Capital Trust Authority Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025A Bonds") in the aggregate principal amount of $[A PAR], and its Capital Trust Authority Senior Living Facilities Third Lien Revenue Bonds, Series 2025C (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025C Bonds") in the initial principal amount of $[C PAR].

THE SERIES 2025B BONDS ARE SUBORDINATE TO THE SERIES 2025A BONDS IN PAYMENT AND SECURITY. So long as any Series 2025A Bonds are Outstanding, the Series 2025A Bond "Controlling Party" (as defined under the Bond Indenture) shall have the sole right to consent to or direct certain actions of the Bond Trustee under the Bond Indenture, including actions in event of default. Amounts on deposit in the Senior Lien Debt Service Reserve Fund and certain other Funds are not available to pay the principal or Redemption Price of or interest on the Series 2025B Bonds.

The Series 2025B Bonds are subject to redemption on the dates, and upon the terms and conditions, set forth in the Bond Indenture.

No Owner of any Series 2025B Bond shall have any right to institute any suit, action or proceedings at law or in equity for the appointment of a receiver or for any other remedy under the Bond Indenture or by reason thereof, except to the extent and in the circumstances permitted by the Bond Indenture.

The Issuer and the Bond Trustee may deem and treat the person in whose name this Series 2025B Bond shall be registered in the Register as the absolute owner of this Series 2025B Bond, whether this Series 2025B Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price of and interest on this Series 2025B Bond and for all other purposes, and the Issuer and the Bond Trustee shall not be affected by any notice to the contrary. Notwithstanding the foregoing, interest on this Series 2025B Bond, other than interest payable at maturity or on a Redemption Date, shall be paid to the Person, as defined in the Bond Indenture, in whose name this Series 2025B Bond is registered on the Register at the close of business on the Record Date for such Interest Payment Date.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Series 2025B Bond have happened, exist and have been performed.

This Series 2025B Bond shall not be valid or entitled to any security or benefit under the Bond Indenture until the Bond Trustee shall have executed the certificate of authentication appearing hereon and inserted the date of authentication hereon.

IN WITNESS WHEREOF, the Issuer has caused this Series 2025B Bond to be executed by its Chair by his manual or facsimile signature and has caused this Series 2025B Bond to be attested by its [Secretary] by his manual or facsimile signature, all as of the Dated Date set forth above.

CAPITAL TRUST AUTHORITY

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By: _____
Name: Chris Kemp
Title: Chair

ATTEST:

By: _____
Name:
Title: [Secretary]

CERTIFICATE OF AUTHENTICATION

This Series 2025B Bond is one of the Series 2025B Bonds of the issue described in the within-mentioned Bond Indenture.

Dated: _____, 2025

UMB BANK, N.A.,
as Bond Trustee

By: _____
Authorized Officer

CERTIFICATE OF VALIDATION

This Series 2025B Bond is one of a Series of Bonds which were validated by final judgment of the Circuit Court of the Second Judicial Circuit, Leon County, Florida rendered on May 14, 2024.

By: _____
Chair

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ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Series 2025B Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer the same on the registration books maintained by the Bond Trustee with full power of substitution in the premises.

Dated: _____ _____

Note: The signature(s) to this Assignment must correspond with the Registered Owner of the within Series 2025B Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:	Social Security Number, Taxpayer Identification Number or Other Identifying Number of Assignee:
_____	_____
NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange, the National Association of Securities Dealers or a commercial bank or trust company.	

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EXHIBIT ~~B~~C

FORM OF SERIES ~~2025B~~2025C BONDS

REGISTERED REGISTERED

No. RC-__ $_____

CAPITAL TRUST AUTHORITY
SENIOR LIVING FACILITIES
~~JUNIOR~~THIRD LIEN REVENUE BONDS, SERIES ~~2025B~~2025C
(ALPHA LIFESTYLE PARTNERS, INC. PROJECT)

THIS BOND MAY NOT BE TRANSFERRED BY THE REGISTERED OWNER HEREOF (I) EXCEPT IN AUTHORIZED DENOMINATIONS AND (II) TO ANY PERSON OTHER THAN TO A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT OF 1933, AS AMENDED) OR AN "ACCREDITED INVESTOR" (AS DEFINED IN REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED) THAT, IN EITHER CASE, HAVE PROVIDED AN INVESTOR LETTER TO THE BOND TRUSTEE AND ISSUER UNLESS THE BOND TRUSTEE AND THE ISSUER HAVE RECEIVED AN INVESTMENT GRADE NOTICE AS MORE PARTICULARLY DESCRIBED IN THE BOND INDENTURE. IN ADDITION, PRIOR TO JANUARY 1, 2033, THE PURCHASER OR TRANSFEREE OF THIS BOND MUST BE TRINITY INVESTORS, LLC, A TEXAS LIMITED LIABILITY COMPANY, OR ANY SUCCESSOR OR AFFILIATE THEREOF.

Interest Rate	Maturity Date	Dated Date	CUSIP No.
[___]%	January 1, 20[__]	_____, 2025	

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ DOLLARS

The Capital Trust Authority (the "Issuer"), for value received, hereby promises to pay upon surrender hereof at the designated corporate trust office of UMB Bank, N.A., or any successor thereto (the "Bond Trustee"), solely from the sources and as herein and in the Bond Indenture provided and permitted, to the Registered Owner hereof, the principal sum stated

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above on the maturity date stated above, subject to prior redemption as herein provided, and to pay, solely from such sources, interest hereon semiannually on each January 1 and July 1 (each, an "Interest Payment Date"), beginning January 1, 2026, at the Interest Rate stated above, but only to the extent funds are available to make such payments and, if not, such interest shall accrue but not compound. Interest is payable from (a) the Dated Date set forth above, if this Series ~~2025B~~2025C Bond is authenticated prior to January 1, 2026, or (b) otherwise from the January 1 or July 1, that is, or immediately precedes, the date on which this Series ~~2025B~~2025C Bond is authenticated (unless payment of interest hereon is in default, in which case this Series ~~2025B~~2025C Bond shall bear interest from the date to which interest has been paid). Interest is payable on each Interest Payment Date (1) by check mailed on such date to the Owner hereof at such Owner's address as it appears on the Register, as defined in the Bond Indenture, as hereafter defined, as of the close of business on the 15th day of the calendar month (whether or not a Business Day) preceding such Interest Payment Date (the "Record Date"), or (2) by wire transfer in accordance with a written notice and completed wire instructions for a wire transfer address in the United States provided by the Owner hereof to the Bond Trustee not less than 15 days prior to such Interest Payment Date (which notice may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked by subsequent notice); provided, that such wire transfer shall only be made for a registered owner of $1,000,000 or more in aggregate principal amount of the Series ~~2025B~~2025C Bonds as of the close of business on the Record Date for such Interest Payment Date. This Series ~~2025B~~2025C Bond shall be payable as to principal and Redemption Price, as defined in the Bond Indenture, and interest in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THIS SERIES ~~2025B~~2025C BOND IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY OUT OF THE TRUST ESTATE. THIS SERIES ~~2025B~~2025C BOND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE CITY OF GULF BREEZE, FLORIDA OR THE CITY OF QUINCY, FLORIDA (COLLECTIVELY, "THE SPONSORING POLITICAL SUBDIVISIONS"), THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR

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INTEREST ON THIS SERIES ~~2025B~~2025C BOND. NO COVENANT OR AGREEMENT CONTAINED IN THIS SERIES ~~2025B~~2025C BOND OR THIS BOND INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING THIS SERIES ~~2025B~~2025C BOND BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE SERIES ~~2025B~~2025C BONDS. THE ISSUER HAS NO TAXING POWER.

No recourse under or upon any obligation, covenant or agreement contained in the Bond Documents or the Borrower Documents, or under any judgment obtained against the Issuer, or the enforcement of any assessment, or any legal or equitable proceedings by virtue of any constitution or statute or otherwise, or under any circumstances under or independent of the Bond Indenture, or any claim based thereon or otherwise in respect thereof shall be had against the Sponsoring Political Subdivisions or the Issuer or any incorporator, member, director, officer, employee, agent or counsel as such, past, present or future of the Issuer or the Sponsoring Political Subdivisions, either directly or through the Issuer, the Bond Trustee or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to the Owner of any Series ~~2025B~~2025C Bond issued under the Bond Indenture, or otherwise, of any sum that may be due and unpaid by the Issuer upon any such Bond. Any and all personal liability of every nature whether at common law or in equity or by statute or by constitution or otherwise of any such incorporator, member, director, officer, employee, agent or counsel, as such, to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Owner of any Series ~~2025B~~2025C Bond issued under the Bond Indenture or otherwise of any sum that may remain due and unpaid upon this Series ~~2025B~~2025C Bond thereby secured or any of them is, by the acceptance hereof, expressly waived and released as a condition of and in consideration for the execution of the Bond Indenture and the issuance of the Series ~~2025B~~2025C Bonds.

This Series ~~2025B~~2025C Bond is one of an issue of $[~~B~~C PAR] Capital Trust Authority Senior Living Facilities ~~Junior~~Third Lien Revenue Bonds, Series ~~2025B~~2025C (Alpha Lifestyle Partners, Inc. Project) (the "Series ~~2025B~~2025C Bonds"), issued for the purpose of making a loan to Alpha Lifestyle Partners, Inc., a Delaware nonstock corporation (the "Borrower") to finance the acquisition by the Borrower of the Projects, as defined in the Bond Indenture, and for certain other purposes.

This Series ~~2025B~~2025C Bond and the premium, if any, and the interest hereon are limited obligations of the Issuer and are payable from the Revenues, as defined in the Bond Indenture, and other assets pledged under the Bond Indenture, all in accordance with the Bond Indenture.

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The Series ~~2025B~~2025C Bonds are issued under a Bond Indenture dated as of _____ 1, 2025 (the "Bond Indenture"), between the Issuer and the Bond Trustee. Reference is hereby made to the Bond Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer, the rights of the Owners, as defined in the Bond Indenture, of the Series ~~2025B~~2025C Bonds and the terms upon which the Series ~~2025B~~2025C Bonds are issued and secured. Concurrently with the issuance of the Series ~~2025B~~2025C Bonds, the Issuer is issuing its Capital Trust Authority Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025A Bonds") in the aggregate principal amount of $[A PAR], and its Capital Trust Authority Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025B Bonds") in the initial principal amount of $[B PAR].

THE SERIES ~~2025B~~2025C BONDS ARE SUBORDINATE TO THE SERIES 2025A BONDS AND THE SERIES 2025B BONDS IN PAYMENT AND SECURITY. So long as any Series 2025A Bonds or Series 2025B Bonds are Outstanding, the Series 2025A Bond or, if Series 2025A Bonds are no longer Outstanding, the Series 2025B Bond "Controlling Party" (as defined under the Bond Indenture) shall have the sole right to consent to or direct certain actions of the Bond Trustee under the Bond Indenture, including actions in event of default. Amounts on deposit in the Senior Lien Debt Service Reserve Fund, the Junior Lien Debt Service Reserve Fund and certain other Funds are not available to pay the principal or Redemption Price of or interest on the Series ~~2025B~~2025C Bonds.

The Series ~~2025B~~2025C Bonds are subject to redemption on the dates, and upon the terms and conditions, set forth in the Bond Indenture.

No Owner of any Series ~~2025B~~2025C Bond shall have any right to institute any suit, action or proceedings at law or in equity for the appointment of a receiver or for any other remedy under the Bond Indenture or by reason thereof, except to the extent and in the circumstances permitted by the Bond Indenture.

The Issuer and the Bond Trustee may deem and treat the person in whose name this Series ~~2025B~~2025C Bond shall be registered in the Register as the absolute owner of this Series ~~2025B~~2025C Bond, whether this Series ~~2025B~~2025C Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price of and interest on this Series ~~2025B~~2025C Bond and for all other purposes, and the Issuer and the Bond Trustee shall not be affected by any notice to the contrary. Notwithstanding the foregoing, interest on this Series ~~2025B~~2025C Bond, other than interest payable at maturity or on a Redemption Date, shall be paid to the Person, as defined in the Bond Indenture, in whose name

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this Series ~~2025B~~2025C Bond is registered on the Register at the close of business on the Record Date for such Interest Payment Date.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Series ~~2025B~~2025C Bond have happened, exist and have been performed.

This Series ~~2025B~~2025C Bond shall not be valid or entitled to any security or benefit under the Bond Indenture until the Bond Trustee shall have executed the certificate of authentication appearing hereon and inserted the date of authentication hereon.

IN WITNESS WHEREOF, the Issuer has caused this Series ~~2025B~~2025C Bond to be executed by its Chair by his manual or facsimile signature and has caused this Series ~~2025B~~2025C Bond to be attested by its [Secretary] by his manual or facsimile signature, all as of the Dated Date set forth above.

CAPITAL TRUST AUTHORITY

By: _____
Name: Chris Kemp
Title: Chair

ATTEST:

By: _____
Name:
Title: [Secretary]

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CERTIFICATE OF AUTHENTICATION

This Series ~~2025B~~2025C Bond is one of the Series ~~2025B~~2025C Bonds of the issue described in the within-mentioned Bond Indenture.

Dated: ~~_____~~_____ __, 2025

UMB BANK, N.A.,
as Bond Trustee

By: _____
Authorized Officer

CERTIFICATE OF VALIDATION

This Series ~~2025B~~2025C Bond is one of a Series of Bonds which were validated by final judgment of the Circuit Court of the Second Judicial Circuit, Leon County, Florida rendered on ~~[~~May 14, 2024~~]~~.

By: _____
Chair

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Series ~~2025B~~2025C Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer the same on the registration books maintained by the Bond Trustee with full power of substitution in the premises.

Dated: _____ _____

Note: The signature(s) to this Assignment must correspond with the Registered Owner of the within Series ~~2025B~~2025C Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

_____

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange, the National Association of Securities Dealers or a commercial bank or trust company.

Social Security Number, Taxpayer Identification Number or Other Identifying Number of Assignee:

_____

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EXHIBIT ~~C~~D

FORM OF INVESTOR LETTER

relating to

$_____	**$_____**
Capital Trust Authority	**Capital Trust Authority**
Senior Living Facilities	**Senior Living Facilities**
Senior Lien Revenue Bonds, Series 2025A	**Junior Lien Revenue Bonds, Series 2025B**
(Alpha Lifestyle Partners, Inc. Project)	**(Alpha Lifestyle Partners, Inc. Project)**
(the "Series 2025A Bonds")	**(the "Series 2025B Bonds")**

$_____
Capital Trust Authority
Senior Living Facilities
Third Lien Revenue Bonds, Series 2025C
(Alpha Lifestyle Partners, Inc. Project)
(the "Series 2025C Bonds")

(collectively, the "Series 2025 Bonds")

[Closing Date]

Capital Trust Authority
315 Fairpoint Drive
Gulf Breeze, Florida 32561

Alpha Lifestyle Partners, Inc.
2102 East State Highway 114, Suite 300
Southlake, Texas 76092

Stifel, Nicolaus & Company, Incorporated
One Financial Plaza
501 North Broadway
St. Louis, Missouri 63102

Ladies and Gentlemen:

Reference is made to the Bond Indenture, dated as of _____ _____ 1, 2025 (the "**Indenture**"), by and between the Capital Trust Authority (the "**Issuer**") and UMB Bank, N.A., a national banking association organized under the laws of the United States of America, as trustee (the "**Trustee**"), and a Loan Agreement, dated as of _____ 1, 2025 (the "**Loan Agreement**"), by and between the Issuer and Alpha Lifestyle Partners, Inc., a Delaware nonstock corporation (the "**Borrower**"). Capitalized terms not otherwise defined herein shall have the same meanings given to them in the Indenture.

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[With respect to the initial purchase of the Series ~~2025B~~2025C Bonds only, references to "purchase" or "purchased" in the paragraph immediately below and in the numbered paragraphs 1, 6, 8 and 11 may be edited to reference "acquisition" or "acquired".]

The undersigned [(the "**Investor**")][***-or-***, as investment advisor to the accounts(s) managed by it and listed on the signature page below (each, an "**Investor**")] has agreed to purchase [(a) $_____ aggregate principal amount of the Series 2025A Bonds, and/or (b) $_____ aggregate principal amount of the Series 2025B Bonds][$_____ aggregate amount of the Series ~~2025B~~2025C Bonds] (such bonds being purchased are referred to herein as the "**Bonds**"), which are being issued and delivered on the date of this letter (this "**Letter**").

The undersigned is duly and legally authorized to execute and deliver this Letter and hereby represents and certifies as follows:

[**1.** The Investor has authority to purchase the Bonds and to execute this Letter and any other instruments and documents required to be executed by the Investor in connection with the Investor's purchase of the Bonds.]

[**1.** The undersigned is a duly appointed, qualified and acting representative of the Investor and is authorized to cause the Investor to make the certifications, representations and warranties contained herein by execution of this Letter on behalf of the Investor.]

2. The Investor is either (a) a "qualified institutional buyer" as defined under Rule 144A promulgated by the Securities and Exchange Commission pursuant to the Securities Act of 1933 (the "**Securities Act**"); or (b) an accredited investor (defined in Rule 501(a) of Regulation D under the 1933 Act, as amended) ("**Accredited Investor**").

3. The undersigned acknowledges:

(a) the Investor is purchasing the Bonds for investment, with no present intention of reselling the Bonds. Notwithstanding such present intention, the Investor is not prohibited from reselling the Bonds in the future; provided, however, that the Investor acknowledges and agrees that (i) unless and until: (1) the Trustee and the Issuer have received an Investment Grade Notice, and (2) the Trustee has received the written authorization and direction of the Issuer to remove the transfer restrictions described in this paragraph and (ii) unless any transfer is during an Investment Grade Period, the beneficial ownership of the Bonds may be resold or transferred only to either (a) a "qualified institutional buyer" as defined under Rule 144A promulgated by the Securities Act; or (b) an Accredited Investor; and only in Authorized Denominations [Series ~~2025B~~2025C Bonds only: to an investor who has executed an investor letter substantially in the form hereof]. "Authorized Denominations" means $100,000 and any integral

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multiple of $5,000 in excess thereof, except that a Bond held by an Owner that has become heldmay be exchanged after mandatory redemption for a Bond in a denomination of less than $100,000 as a result of a partial redemption of such Bond may be transferred or exchanged by such Owner or subsequent Owner but only to transferees permitted under the Indenturebut in $5,000 integral multiples to the extent necessary to represent the unredeemed portion of any Bond. The Investor further acknowledges that any transfer of its interest in any Bonds shall be made only in compliance with the requirements of any applicable securities laws, state and federal. A transfer in violation of these requirements shall be null and void; and

(b) to the extent the undersigned is purchasing the Bonds not on its own behalf but in its capacity as investment adviser to beneficial owners of separately managed accounts, such accounts will solely be for investors that meet the qualifications as set forth in the Indenture and as described in paragraph 2 above. The Investor understands that the Stifel, Nicolaus & Company, Incorporated (the "**Underwriter**") will not facilitate the establishment of such accounts and that the Bonds will be issued only in Authorized Denominations, and confirms that it will not facilitate the deposit of Bonds into accounts in violation of such limitations.

4. The Investor acknowledges and agrees that the Underwriter and the Issuer take no responsibility for, and make no representation to the Investor, or to any subsequent purchaser, with regard to a sale, transfer or other disposition of the Bonds in violation of the provisions of the Indenture, or any securities law or income tax law consequences thereof. The Investor also acknowledges that, with respect to the Issuer's obligations and liabilities, the Investor is solely responsible for compliance with the sales restrictions on the Bonds in connection with any subsequent transfer of Bonds made by the Investor.

5. The Investor acknowledges and accepts the following:

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER, PAYABLE SOLELY OUT OF THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE CITY OF GULF BREEZE, FLORIDA AND THE CITY OF QUINCY, FLORIDA (COLLECTIVELY, THE "SPONSORING POLITICAL SUBDIVISIONS"), THE STATE OF FLORIDA, OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY

LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OF FLORIDA OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OF FLORIDA, OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE BONDS OR THE INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING THE BONDS BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE BONDS. THE ISSUER HAS NO TAXING POWER.

NO RECOURSE UNDER OR UPON ANY OBLIGATION, COVENANT OR AGREEMENT CONTAINED IN THE BOND DOCUMENTS, OR UNDER ANY JUDGMENT OBTAINED AGAINST THE ISSUER, OR THE ENFORCEMENT OF ANY ASSESSMENT, OR ANY LEGAL OR EQUITABLE PROCEEDINGS BY VIRTUE OF ANY CONSTITUTION OR STATUTE OR OTHERWISE, OR UNDER ANY CIRCUMSTANCES UNDER OR INDEPENDENT OF THE INDENTURE, OR ANY CLAIM BASED THEREON OR OTHERWISE IN RESPECT THEREOF SHALL BE HAD AGAINST THE SPONSORING POLITICAL SUBDIVISIONS, OR THE ISSUER OR ANY INCORPORATOR, MEMBER, DIRECTOR, OFFICER, EMPLOYEE, AGENT OR COUNSEL AS SUCH, PAST, PRESENT OR FUTURE OF THE ISSUER, OR THE SPONSORING POLITICAL SUBDIVISIONS, EITHER DIRECTLY OR THROUGH THE ISSUER, THE TRUSTEE OR OTHERWISE, FOR THE PAYMENT FOR OR TO THE ISSUER OR ANY RECEIVER THEREOF, OR FOR OR TO THE BENEFICIAL OWNER OF ANY BOND ISSUED UNDER THE INDENTURE, OR OTHERWISE, OF ANY SUM THAT MAY BE DUE AND UNPAID BY THE ISSUER UPON ANY SUCH BOND. ANY AND ALL PERSONAL LIABILITY OF EVERY NATURE WHETHER AT COMMON LAW OR IN EQUITY OR BY STATUTE OR BY CONSTITUTION OR OTHERWISE OF ANY SUCH

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INCORPORATOR, MEMBER, DIRECTOR, OFFICER, EMPLOYEE, AGENT OR COUNSEL, AS SUCH, TO RESPOND BY REASON OF ANY ACT OR OMISSION ON HIS PART OR OTHERWISE, FOR THE PAYMENT FOR OR TO THE BENEFICIAL OWNER OF ANY BOND ISSUED UNDER THE INDENTURE OR OTHERWISE OF ANY SUM THAT MAY REMAIN DUE AND UNPAID UPON THE BOND THEREBY SECURED OR ANY OF THEM IS, BY THE ACCEPTANCE HEREOF, EXPRESSLY WAIVED AND RELEASED AS A CONDITION OF AND IN CONSIDERATION FOR THE EXECUTION OF THE INDENTURE AND THE ISSUANCE OF THE BONDS.

6. The Investor has received and reviewed the Preliminary Limited Offering Memorandum, dated _____ __, 2025 (the "**PLOM**") and the Limited Offering Memorandum, dated _____ __, 2025 (the "**LOM**"), including the information relating to: (i) the sources of repayment of the Bonds; (ii) the Projects (including their respective financial and operating data and the real property related thereto that will be subject to the Mortgages); (iii) the Borrower and the other Members of the Obligated Group (including their acquisition of the Projects in connection with the issuance of the Bonds); and (iv) such other material matters relating to the Bonds, the Borrower and the other members of the Obligated Group and such other information as the Investor deemed relevant in making an investment decision with respect to its purchase of the Bonds. Neither the Issuer nor the Underwriter has made any representations to the Investor or its representatives including the undersigned other than as set forth in the PLOM and LOM, as amended to the date of this Letter. The Investor acknowledges and accepts that it had the opportunity to ask questions of, and request additional information from, the Borrower regarding the information provided to it and any other matters that the Investor considered to be relevant to the Investor's decision to purchase the Bonds.

7. The Investor acknowledges and accepts that it has reviewed and has made its decision to invest in the Bonds based solely on its review of the information provided by the parties that supplied such information, such information including, but not limited to, the PLOM, LOM and investor presentation materials of the Borrower dated _____ __, 2025.

8. The Investor represents that it can bear the economic risk associated with its purchase of the Bonds and it has such knowledge and experience in business and financial matters, including the analysis of a participation in the purchase of similar investments, so as to be capable of evaluating the merits and risks of an investment in the Bonds on the basis of the information and review described herein.

9. The Investor acknowledges that the Bonds have not been registered with the Securities and Exchange Commission (in reliance upon an exemption from the Securities Act),

have not been registered under the "blue sky" laws of any State, and will not be listed on any stock or securities exchange. The Investor further acknowledges that the Loan Agreement and the Indenture have not been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon exemptions contained in such act.

10. The Investor acknowledges and accepts that except for information in the PLOM and LOM concerning the Issuer contained under the captions "THE ISSUER" and "LITIGATION – The Issuer," the Issuer neither has nor will assume any responsibility as to the accuracy or completeness of information in the PLOM or the LOM.

11. The Investor is duly and legally authorized to purchase the Bonds.

12. The interpretation of the provisions hereof shall be governed and construed in accordance with State of Florida law without regard to principles of conflicts of laws.

(*Signature page follows*)

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This Letter and the statements contained herein are made for the benefit of the addressees hereto.

IN WITNESS WHEREOF, the undersigned has executed this Letter effective as of the day and year first written above.

Very truly yours,

[**INVESTOR NAME**

By:_____
Name:_____
Title:_____
]

[***-OR-***

INVESTMENT ADVISOR NAME

By:_____
Name:_____
Title:_____

Certification:

The representative of the Investment Advisor hereby certifies that the entities named below are the Investors in the Bonds:

Name	Allocation
[_____]	$_____
[_____]	$_____
Total:	$_____

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EXHIBIT B TO SECOND SUPPLEMENT DATED OCTOBER 7, 2025

TO PRELIMINARY LIMITED OFFERING MEMORANDUM DATED AUGUST 29, 2025
(AS PREVIOUSLY SUPPLEMENTED ON SEPTEMBER 12, 2025)

Redlined Form of the Loan Agreement
(*marked against the form attached as Appendix C-2 to the original PLOM*)

(*see attached*)

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LOAN AGREEMENT

between

CAPITAL TRUST AUTHORITY,
as Issuer

and

ALPHA LIFESTYLE PARTNERS, INC.,
as Borrower

Relating to

Capital Trust Authority
Senior Living Facilities
Senior Lien Revenue Bonds, Series 2025A
(Alpha Lifestyle Partners, Inc. Project)

Senior Living Facilities
Junior Lien Revenue Bonds, Series 2025B
(Alpha Lifestyle Partners, Inc. Project)

Senior Living Facilities
Third Lien Revenue Bonds, Series 2025C
(Alpha Lifestyle Partners, Inc. Project)

Dated as of _____ 1, 2025

Pursuant to a Bond Indenture dated as of _____ 1, 2025, the rights of the Capital Trust Authority hereunder, other than the Issuer's Reserved Rights (as defined in the Bond Indenture referred to above), have been assigned to UMB BANK, N.A., as bond trustee under such Bond Indenture.

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LOAN AGREEMENT

This LOAN AGREEMENT, is made and entered into as of _____ 1, 2025 (this "Loan Agreement"), between the CAPITAL TRUST AUTHORITY, a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida (the "Issuer"), and ALPHA LIFESTYLE PARTNERS, INC., a Delaware nonstock corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Borrower").

W I T N E S S E T H:

WHEREAS, the Issuer is a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida (the "State") established for the purposes set forth under Section 163.01, Florida Statutes, Chapter 166, Part II, Florida Statutes, Chapter 617, Florida Statutes, and Chapter 159, Florida Statutes, each as amended; the Enabling Resolutions (as defined in the hereinafter defined Bond Indenture); Ordinance Number 04-00, enacted by the City Council of the City of Gulf Breeze, Florida ("Gulf Breeze") on May 15, 2000, as amended and supplemented by Ordinance No. 05-01, and Ordinance No. 10-11, enacted by Gulf Breeze on May 7, 2001 and September 6, 2011, respectively; the City Charter of Gulf Breeze; the City Charter of the City of Quincy, Florida; the Interlocal Agreement (as defined in the hereinafter defined Bond Indenture), with powers as a "local agency" under Chapter 159, Part II, Florida Statutes, and together with all of the home rule powers granted by the Constitution and laws of the State and all other applicable provisions of law (collectively, the "Act"); and

WHEREAS, by the Enabling Resolutions, Resolution No. 23-24 duly adopted by the Issuer on June 20, 2024 (the "Inducement Resolution") and Resolution No. 41-24, duly adopted by the Issuer on October 29, 2024, as supplemented by Resolution No. [__]-25, duly adopted by the Issuer on [_____], 2025 (together with the Inducement Resolution, the "Bond Resolution"), approvals have been duly and validly provided pursuant to the Act to issue revenue bonds for the purpose of providing funds to finance or refinance all or any part of the cost of the Projects (as hereinafter defined) which collectively constitutes a "project" as defined in the Act; and

WHEREAS, the Borrower has requested financial assistance from the Issuer in financing the acquisition, improvement, and/or equipping of certain senior living facilities as more particularly described in Exhibit B hereto (collectively, the "Projects"); and

WHEREAS, the Issuer has authorized the issuance of its (i) Capital Trust Authority Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025A Bonds"), ~~and~~ (ii) Capital Trust Authority Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025B Bonds") and (iii) Capital Trust Authority Senior Living Facilities Third Lien Revenue Bonds, Series 2025C (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025C Bonds", and together with the Series 2025A Bonds and the Series 2025B Bonds, the "Bonds"), in the aggregate principal amount of $[__], the net proceeds of which shall be loaned to the Borrower pursuant to this Loan Agreement to provide funds to the Borrower for the purpose of

acquiring, improving, and/or equipping the Projects, paying costs of issuance of the Bonds and funding certain reserves; and

WHEREAS, Borrower has requested the Issuer to enter into this Loan Agreement specifying the terms and conditions of a loan by the Issuer to Borrower of the proceeds of the Bonds and of the payment by Borrower to the Issuer of the amounts required for the payment of the principal of, and interest and premium, if any, on the Bonds and certain related expenses; and

WHEREAS, the Issuer and Borrower have each duly authorized the execution, delivery and performance of this Loan Agreement; and

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS; INTERPRETATION

Section 1.1 Definitions. Unless otherwise required by the context, all terms used herein shall have the meanings assigned to such terms in the Bond Indenture, dated as of _____ 1, 2025, between the Issuer and UMB BANK, N.A., as bond trustee, as amended or supplemented from time to time (as so amended or supplemented, the "Bond Indenture").

Section 1.2 Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender, as appropriate.

(b) Any headings preceding the texts of the several Articles and Sections of this Loan Agreement, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Loan Agreement, nor shall they affect its meaning, construction or effect.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Loan Agreement; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Loan Agreement as a whole and not to any particular Article, Section or subdivision hereof.

(d) Every "request," "order," "demand," "application," "appointment," "notice," "statement," "certificate," "consent," "direction" or similar action under this Loan Agreement by any party must be in writing and signed by a duly authorized representative of such party with a duly authorized signature.

(e) Whenever the word "includes" or "including" is used, such word means "includes or including by way of example and not limitation."

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(f) All references in this Loan Agreement to "counsel fees," "attorneys' fees" or the like mean and include fees and disbursements allocable to in-house or outside counsel, whether or not suit is instituted, and including fees and disbursements preparatory to and during any proceedings of a governmental or regulatory body, judicial or administrative hearing, trial and appeal and in any bankruptcy or arbitration proceedings.

(g) All approvals, consents and acceptances required to be given or made by any person or party hereunder shall be at the reasonable discretion of the party whose approval, consent or acceptance is required except to the extent otherwise specified herein.

(h) For purposes hereof, the Issuer shall not be deemed to have knowledge of any fact or the occurrence of any event unless and until the Authorized Issuer Representative has written notice thereof or actual knowledge thereof.

(i) Whenever the Issuer is named or referred to, it shall be deemed to include its successors and assigns whether so expressed or not. All of the covenants, stipulations, obligations, and agreements by or on behalf of, and other provisions for the benefit of, the Issuer contained in this Loan Agreement shall bind and inure to the benefit of such successors and assigns and shall bind and inure to the benefit of any officer, board, commission, issuer, agency or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the Issuer, or of its successors or assigns, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements or other provisions hereof.

ARTICLE II

ISSUANCE OF BONDS; THE OBLIGATIONS

Section 2.1 The Bonds. The Issuer has authorized the issuance of the Bonds pursuant to the Bond Indenture in the aggregate principal amount of [__] Dollars ($[__]). Borrower hereby approves the Bond Indenture, the pledge and assignment thereunder to the Bond Trustee of the right, title and interest of the Issuer (except for the Issuer's Reserved Rights) in this Loan Agreement and the Obligations, the issuance under the Bond Indenture by the Issuer of the Bonds, and agrees to be bound by its terms.

Section 2.2 The Obligations. In consideration of the issuance of the Bonds by the Issuer and the application of the proceeds thereof as provided in the Bond Indenture, Borrower agrees to issue, or cause to be issued, and to cause to be authenticated and delivered to the Bond Trustee pursuant to the Master Trust Indenture and the Supplemental MTI, concurrently with the issuance and delivery of the Bonds, Obligation No. 1 ~~and~~, Obligation No. 2 and Obligation No. 3 (collectively, the "Obligations") in substantially the forms set forth in the Supplemental MTI. The Issuer agrees that the Obligations shall be registered in the name of the Bond Trustee. Borrower agrees that the aggregate principal amount of Obligation No. 1 shall be limited to [__] Dollars ($[__]) ~~and~~, Obligation No. 2 shall be limited to [__] Dollars ($[__]) and Obligation No. 3 shall be limited to [__] Dollars ($[__]), except as provided in the Supplemental MTI with respect to the mutilation, destruction, loss or theft of the Obligations. Borrower agrees that, except as otherwise provided in this Section 2.2, so long as any Bond remains Outstanding,

Obligation No. 1 ~~and~~, Obligation No. 2 and Obligation No. 3 shall each be issuable only as a single obligation without coupons, registered as to principal and interest in the name of the Bond Trustee, and no transfer of the Obligations shall be registered under the Master Trust Indenture or be recognized by Borrower except for transfers to a successor Bond Trustee. Upon the principal of the Obligations being declared immediately due and payable, the Obligations may be transferred if and to the extent that the Bond Trustee requests that the aforementioned restrictions on transfers of this Section 2.2 be terminated.

ARTICLE III

PAYMENTS

Section 3.1 Loan of Proceeds; Payments of Principal and Interest. The Issuer hereby lends and advances to Borrower, and Borrower hereby borrows and accepts from the Issuer, a loan in a principal amount equal to the aggregate principal amount of the Bonds, the net proceeds of which loan shall be equal to the net proceeds received from the sale of the Series 2025A Bonds and the Series 2025B Bonds, such proceeds to be applied under the terms and conditions of this Loan Agreement and the Bond Indenture. In consideration of the loan of such proceeds to Borrower, Borrower agrees to pay, or cause to be paid, to the Bond Trustee, on or before the Business Day prior to each date on which such amounts are required to be transferred by the Bond Trustee pursuant to Section 5.04 of the Bond Indenture for subsequent application pursuant to the Bond Indenture, the amounts necessary to enable the Bond Trustee to make the transfers required by said Section 5.04 of the Bond Indenture (the "Loan Repayments"). Notwithstanding the foregoing, Borrower agrees to make payments, or cause payments to be made, to the Bond Trustee at the times and in the amounts required to be paid as principal of, premium, if any, and interest on the Bonds from time to time Outstanding under the Bond Indenture and other amounts required to be paid under the Bond Indenture, as the same shall become due whether at maturity, upon redemption, by declaration of acceleration or otherwise. Each payment by Borrower to the Bond Trustee hereunder shall be in lawful money of the United States of America and paid to the Bond Trustee, and held, invested, disbursed and applied as provided in the Bond Indenture.

Section 3.2 Additional Payments. In addition to Loan Repayments, Borrower shall also pay, or cause to be paid, to the Issuer or the Bond Trustee, as the case may be, "Additional Payments," as follows:

(a) All taxes and assessments of any type or character charged to the Issuer or to the Bond Trustee affecting the amount available to the Issuer or the Bond Trustee from payments to be received hereunder or in any way arising due to the transactions contemplated hereby (including taxes and assessments assessed or levied by any public agency or governmental authority of whatsoever character having power to levy taxes or assessments) but excluding franchise taxes based upon the capital and/or income of the Bond Trustee and taxes based upon or measured by the net income of the Bond Trustee; provided, however, that Borrower shall have the right to protest any such taxes or assessments which it in good faith believes are not due and owing and to require the Issuer or the Bond Trustee, at Borrower's expense, to protest and contest any such taxes or assessments levied upon them, and that Borrower shall have the right to withhold payment of any such taxes or assessments pending disposition of any such protest or

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contest unless such withholding, protest or contest would adversely affect the rights or interests of the Issuer, the Holders or the Bond Trustee hereunder, under the Bond Indenture or otherwise with respect to the Bonds;

(b) All fees, charges, expenses and indemnities (as set forth in Section 5.2 hereof and Section 5.3 hereof) of the Bond Trustee and the Issuer hereunder and under the Bond Indenture, as and when the same become due and payable;

(c) The fees and expenses of such accountants, consultants, attorneys and other experts as may be engaged by the Issuer or the Bond Trustee in connection with the performance of its duties hereunder or in the Bond Indenture and to prepare audits, financial statements, reports, opinions or provide such other services required under this Loan Agreement or the Bond Indenture, including, but not limited to, any audit or inquiry by the Internal Revenue Service or any other governmental body;

(d) The Annual Issuer's Fee and the Issuer's Fees and Expenses of the Issuer or any agent or attorney selected by the Issuer to act on its behalf in connection with this Loan Agreement, the Borrower Documents, the Bonds or the Bond Indenture, including, without limitation, any and all expenses incurred in connection with the authorization, issuance, sale and delivery of any such Bonds or in connection with any litigation, investigation, inquiry or other proceeding which may at any time be instituted involving this Loan Agreement, the Borrower Documents, the Bonds or the Bond Indenture or any of the other documents contemplated thereby, or in connection with the reasonable supervision or inspection of the Borrower, its properties, assets or operations or otherwise in connection with the administration of this Loan Agreement and the Borrower Documents;

(e) All other necessary fees, expenses and indemnities (as set forth in Section 5.2 hereof and Section 5.3 hereof) of the Issuer and the Issuer Indemnified Parties arising out of or in connection with the issuance of the Bonds and this Loan Agreement, including, but not limited to, those pertaining to the representation of the Issuer as "taxpayer" before the Internal Revenue Service in any audit or investigation of the Bonds or the Obligations;

(f) All Costs of Issuance not paid from proceeds of the Bonds; and

(g) All fees and expenses of the Rebate Analyst, and if a deposit is required to be made to the Rebate Fund as a result of any calculation made pursuant to Section 5.06 of the Bond Indenture, the amount of such deposit, which shall be deposited in the Rebate Fund.

Such Additional Payments shall be billed to Borrower by or upon direction of the Issuer or the Bond Trustee from time to time and shall be paid by Borrower within thirty (30) days after receipt of the bill by Borrower. The obligations of Borrower under this Section shall survive the payment of the Bonds and discharge of the Bond Indenture, and termination of this Loan Agreement and the resignation or removal of the Bond Trustee. Notwithstanding the foregoing, the Issuer shall not be required to submit a bill to the Borrower, the Bond Trustee nor the Master Trustee for payment of the Annual Issuer's Fee, and payment of the Annual Issuer's Fee does not require prior approval by the Borrower or a Borrower Authorized Representative. Such Annual Issuer's Fee shall be paid by the Master Trustee in the amount provided in the Bond Indenture.

The Annual Issuer's Fee and any other Issuer's Fees and Expenses shall constitute Administrative Fees as defined in the Master Trust Indenture and shall be paid to the Issuer by the Master Trustee from the Administrative Costs Fund established under the Master Indenture and in accordance with the provisions of the Master Indenture.

Any invoice furnished to the Borrower by the Bond Trustee pursuant to this Section 3.2 shall be deemed to constitute a written notice under Section 6.1 sufficient to cause the 60-day period specified in said Section 6.1 to commence. Any invoice furnished to the Borrower by the Issuer pursuant to this Section 3.2 shall be deemed to constitute written notice under Section 6.1(c) sufficient to cause the thirty (30)-day period specified in said Section 6.1(c) with respect to a Loan Default Event under Subsection 6.1(i) to commence.

Section 3.3 Prepayment.

(a) The Borrower shall have the right, so long as all amounts which have become due hereunder have been paid, at any time or from time to time to prepay all or any part of the Loan Repayments related to the Bonds and the Issuer agrees that the Bond Trustee shall accept such prepayments when the same are tendered.

(b) If a Determination of Taxability has occurred and is continuing, the Borrower shall, with sixty days of the Determination of Taxability, prepay all or any part of the Loan Repayments related to the Tax-Exempt Bonds as required by Section 4.03(b)(2) of the Bond Indenture.

(c) Prepayments may be made by payments of cash, deposit of Investment Securities or surrender of Bonds, as contemplated by Article VIII of the Bond Indenture. Pursuant to the Bond Indenture, the interest component of all such prepayments shall be deposited in the Debt Service Accounts and the principal component of all such prepayments (and the additional payment of any amount necessary to pay the applicable premium, if any, payable upon the redemption of Bonds) shall be deposited upon receipt in the Redemption Accounts, and, at the written request of and as determined by Borrower, credited against payments due hereunder or used for the redemption or purchase of Outstanding Bonds in the manner and subject to the terms and conditions set forth in the Bond Indenture, including but not limited to the redemption requirements in Sections 4.02 and 4.03 of the Bond Indenture. Notwithstanding any such prepayment or surrender of Bonds, as long as any Bonds remain Outstanding or any Additional Payments required to be made hereunder remain unpaid, Borrower shall not be relieved of its obligations hereunder.

Section 3.4 Obligations Unconditional. The obligations of Borrower hereunder, including the obligation of Borrower to pay the principal of and interest on the Bonds and any Additional Payments, are absolute and unconditional, notwithstanding any other provision of this Loan Agreement or the Bond Indenture. Until this Loan Agreement is terminated and all payments hereunder are made, Borrower:

(a) Will pay all amounts required hereunder without abatement, deduction or setoff, except as otherwise expressly provided in this Loan Agreement;

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(b) Will not suspend or discontinue any payments due hereunder for any reason whatsoever, including, without limitation, any right of setoff or counterclaim, except as expressly provided in this Loan Agreement or the Bond Indenture;

(c) Will perform and observe all its other agreements contained in this Loan Agreement; and

(d) Except as provided herein, will not terminate this Loan Agreement for any cause including, without limiting the generality of the foregoing, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State, or any political subdivision of either thereof or any failure of the Issuer to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Loan Agreement.

Nothing contained in this Section 3.4 shall be construed to release the Issuer from the performance of any of the agreements on its part herein contained.

The rights of the Bond Trustee or any party or parties on behalf of whom the Bond Trustee is acting shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever, whether arising out of any breach of any duty or obligation of the Issuer or the Bond Trustee owing to Borrower, or by reason of any other indebtedness or liability at any time owing by the Issuer or by the Bond Trustee to Borrower.

Section 3.5 Conditions Precedent. The obligation of the Issuer to make the loan as herein provided shall be subject to (i) the receipt by it of the proceeds of the issuance and sale of the Bonds and (ii) the issuance of the Obligations.

Section 3.6 Closing Expenses. In addition to and without in any way limiting its obligations to pay and indemnify the Issuer and the Issuer Indemnified Parties against fees, costs and charges arising out of or in connection with this Loan Agreement, the Borrower Documents, the Bonds or the Bond Indenture, the Borrower shall pay, upon the closing of the issuance of the Bonds and as a condition thereto, the Issuer's Fees and Expenses invoiced therefor by the Issuer on or prior to closing.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Section 4.1 Representations and Warranties of Borrower. Borrower represents and warrants to the Issuer that, as of the date of execution of this Loan Agreement and (unless otherwise stated) as of the date of delivery of the Bonds to the initial purchasers thereof:

(a) The Borrower is a Delaware nonstock corporation.

(b) Based on the letter of determination of the Internal Revenue Service dated May 9, 2024, the Borrower is a public charity organization exempt from federal income tax under Section 501(c)(3) of the Code effective as of March 6, 2024.

(c) The Borrower is operated for the charitable purpose of facilitating and providing high-quality housing for seniors and may not carry on activities which are not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Code;

(d) The Borrower has not been formed for profit or pecuniary benefit, and no assets, income or net earnings of the Borrower may inure to the benefit of any manager, director, officer or employee of the Borrower or any private individual.

(e) The Borrower has the requisite legal right, power and authority to enter into this Loan Agreement and to carry out and consummate all transactions contemplated hereby.

(f) The officer of Borrower executing this Loan Agreement is duly and properly in office and has the requisite authority to execute the same.

(g) This Loan Agreement has been duly authorized, executed and delivered by Borrower.

(h) (i) This Loan Agreement, when assigned by the Issuer to the Bond Trustee pursuant to the Bond Indenture (except with respect to Issuer's Reserved Rights) and the Borrower Documents, will constitute the legal, valid and binding agreement of Borrower enforceable against Borrower by the Bond Trustee in accordance with its terms for the benefit of the Holders of the Bonds, and (ii) the Issuer's Reserved Rights constitute the legal, valid, and binding agreements of Borrower enforceable against Borrower (A) by the Issuer in its own right, or (B) in the case of the rights of any Issuer Indemnified Party (including, without limitation, the right of any Issuer Indemnified Party to indemnification and immunity from liability), by such Issuer Indemnified Party in his, her, or its own right in accordance with their respective terms; except as enforcement may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought.

(i) The execution and delivery of this Loan Agreement, the consummation of the transactions herein contemplated and the fulfillment of or compliance with the terms and conditions hereof, will not conflict with or constitute a violation or breach of or default under Borrower's organizational documents or any applicable law or administrative rule or regulation, or any court or administrative decree or order to which Borrower is subject, or any indenture, mortgage, deed of trust, loan agreement, lease, contract or other agreement or instrument to which Borrower is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of Borrower, which conflict, violation, breach, default, lien, charge or encumbrance might have consequences that would materially and adversely affect either (1) the consummation of the transactions contemplated by this Loan Agreement or (2) the financial condition, assets, properties or operations of Borrower.

(j) No consent or approval of any trustee or holder of any indebtedness of Borrower, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Loan

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Agreement or for the consummation of any transaction herein contemplated, except as have been obtained or made and as are in full force and effect.

(k) There is no action, suit, proceeding, inquiry or investigation, before or by any court or federal, state, municipal or other governmental authority, pending with service having been completed on Borrower, or to the actual knowledge of Borrower, threatened, against or affecting Borrower or the assets, properties or operations of Borrower which, if determined adversely to Borrower or its interests, would reasonably be expected to have a material adverse effect upon either (1) the consummation of the transactions contemplated by, or the validity of, this Loan Agreement or (2) on the operations or financial condition of Borrower taken as a whole. As of the date of this Loan Agreement, Borrower is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default would materially and adversely affect the consummation of the transactions contemplated by this Loan Agreement, or on the operations or the financial condition of Borrower taken as a whole. As of the date of this Loan Agreement, all tax returns (federal, state and local) required to be filed by or on behalf of Borrower have been filed, and all taxes shown thereon to be due, including interest and penalties, have been paid or adequate reserves have been made for the payment thereof except such, if any, as are being actively contested by Borrower, in good faith.

(l) Except as described in the Limited Offering Memorandum, there has been no material adverse change in the condition (financial or otherwise) of the Borrower.

(m) The written information, exhibits and reports furnished to the Issuer by Borrower in connection with Borrower's application to the Issuer for financing or by the Borrower or its representatives in connection with the negotiation of this Loan Agreement or the Borrower Documents, regardless of whether the Issuer is a party thereto (including without limitation, any financial statements, whether audited or unaudited, and any other financial information provided in connection therewith) is, to its knowledge, true and correct in all material respects.

(n) Borrower does not restrict use of its facilities on racial or religious grounds.

(o) The Borrower's representations and warranties under this Section 4.1 survive the issuance of the Bonds and remain operative and in full force and effect regardless of the issuance of the Bonds, and regardless of any investigations by or on behalf of the Issuer or the results thereof.

(p) The Borrower will take any and all actions reasonably necessary to assure compliance with Section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Tax-Exempt Bonds.

Section 4.2 Representations and Warranties of Issuer. Issuer represents and warrants to the Borrower that, as of the date of execution of this Loan Agreement and as of the date of delivery of the Bonds to the initial purchasers thereof:

(a) The Issuer (1) is a legal entity duly created and a public agency duly organized and validly existing under the laws of the State, and (2) has lawful power and authority to issue

the Bonds for the purposes set forth in the Bond Indenture, to enter into, execute and deliver the Bond Indenture and this Loan Agreement and to carry out its obligations thereunder and hereunder, and (3) by all necessary corporate action has been duly authorized to execute and deliver the Bond Indenture, this Loan Agreement and any other Bond Documents to which the Issuer is a party, acting by and through its duly authorized officers.

(b) The execution and delivery of the Bond Indenture, this Loan Agreement and any other Bond Documents by the Issuer will not result in a breach of any of the terms of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Issuer is a party or by which it or any of its property is bound or its bylaws or any of the constitutional or statutory rules or regulations applicable to the Issuer or its property.

ARTICLE V

COVENANTS

Section 5.1 Nonliability of the Issuer.

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY OUT OF THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE BONDS OR THE BOND INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING SUCH BONDS BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE BONDS. THE ISSUER HAS NO TAXING POWER.

No recourse under or upon any obligation, covenant or agreement contained in the Bond Documents or the Borrower Documents, or under any judgment obtained against the Issuer, or the enforcement of any assessment, or any legal or equitable proceedings by virtue of any constitution or statute or otherwise, or under any circumstances under or independent of the Bond Indenture, or any claim based thereon or otherwise in respect thereof shall be had against the Sponsoring Political Subdivisions or the Issuer or any incorporator, member, director, officer, employee, agent or counsel as such, past, present or future of the Issuer, or the Sponsoring Political Subdivisions, either directly or through the Issuer, the Bond Trustee or otherwise, for

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the payment for or to the Issuer or any receiver thereof, or for or to the Owner of any Bond issued hereunder, or otherwise, of any sum that may be due and unpaid by the Issuer upon any such Bond. Any and all personal liability of every nature whether at common law or in equity or by statute or by constitution or otherwise of any such incorporator, member, director, officer, employee, agent or counsel, as such, to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Owner of any Bond issued hereunder or otherwise of any sum that may remain due and unpaid upon the Bond hereby secured or any of them is, by the acceptance hereof, expressly waived and released as a condition of and in consideration for the execution of the Bond Indenture and the issuance of the Bonds.

Borrower hereby acknowledges that the Issuer's sole source of moneys to repay the Bonds will be provided by the payments made or caused to be made by Borrower hereunder and pursuant to the Obligations and other Revenues, together with amounts on deposit in, and investment income on, certain funds and accounts held by the Bond Trustee under the Bond Indenture, and hereby agrees that if all such amounts shall ever prove insufficient to pay all principal of, premium, if any, and interest on the Bonds as the same shall become due (whether by maturity, redemption, acceleration or otherwise) or any costs incidental thereto, then upon notice or demand from the Bond Trustee, Borrower shall pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal, premium, if any, or interest when due, including, but not limited to, any deficiency caused by acts, omissions, nonfeasance or malfeasance on the part of the Bond Trustee, the Issuer or any third party subject to any right of reimbursement from the Bond Trustee, the Issuer or any such third party, as the case may be, therefor.

Section 5.2 Expenses and Fees. The Borrower covenants and agrees to pay the Bond Trustee's ordinary and extraordinary fees and to pay and to indemnify the Issuer, the Issuer Indemnified Parties, the Bond Trustee and the Bond Trustee Indemnified Parties against all costs and charges, including fees of attorneys, accountants, consultants and other experts, incurred in good faith and arising out of or in connection with the transactions contemplated hereby. The obligations under this Section and Section 5.3 shall remain valid and in effect notwithstanding repayment of the loan hereunder or termination of this Loan Agreement or the Bond Indenture or the resignation or removal of the Bond Trustee.

Section 5.3 Indemnification.

(a) The Borrower shall pay and shall protect, indemnify and hold harmless, the Bond Trustee Indemnified Parties and the Issuer Indemnified Parties (collectively, the "Indemnified Parties" and each an "Indemnified Party") from and against all liabilities, losses, damages, costs, expenses (including attorneys' fees), causes of action, suits, claims, demands and judgments of any nature (collectively referred to herein as the "Liabilities") in any manner relating to and/or arising from or in connection with the Bonds (including the approval, issuance or non-issuance, and, if issued, the administration thereof) or: (i) any injury to or death of any person or damage to the Projects in or upon the Projects or growing out of or connected with the use, nonuse, condition or occupancy of the Projects; (ii) violation or breach of any agreement or condition of this Loan Agreement or any of the Bond Documents or the Borrower Documents; (iii) a violation by the Borrower of any contract, agreement or restriction relating to the Projects; (iv) any act, or failure to act, by the Borrower or negligence of the Borrower or any of its agents, contractors,

servants, employees or licensees; (v) any violation of any environmental law, rule or regulation with respect to, or the release of any toxic substance from, the Projects during the period in which the Borrower is in possession or control of the Projects; (vi) a violation by the Borrower of any law, ordinance or regulation affecting the Projects or the ownership, occupancy or use thereof; (vii) any statement or information contained in the Bond Indenture, this Loan Agreement, the Tax Agreement, any other Bond Documents or Borrower Documents or any other documents or agreements relating to the Bonds and the proceedings relating to their issuance and sale, or any documents in connection with the Continuing Disclosure Agreement which is misleading, untrue or incorrect in any material respect, other than information furnished by the Issuer; (viii) the financing, refinancing, acquisition, improvement, equipping and furnishing of the Projects or the failure to construct, acquire, equip or install the Projects; (ix) any proceeding concerning the validity or enforceability of the Bonds or the tax-exemption of the Tax-Exempt Bonds or the interest thereon; (x) to the extent not previously mentioned, any claims whatsoever asserting any of the foregoing, regardless of the lack of merit thereof; and (xi) the costs incurred in connection with any claims, investigations, governmental or regulatory actions, proceedings or inquiries relating in any way to the Bonds or the transactions contemplated hereby or by the Bond Indenture.

The Borrower also agrees to indemnify, protect, defend, and hold harmless the Indemnified Parties from and against the Liabilities (i) in any manner whatsoever arising from or relating to the Bonds (including the approval, issuance or non-issuance, and, if issued, the administration thereof), or any errors or omissions in information provided to the Issuer in connection with any legal proceedings or other official actions of the Issuer pertaining to the Bonds, (ii) in any manner whatsoever arising from or relating to any fraud or misrepresentations or omissions contained in information provided to the Issuer or the Bond Trustee in connection with the proceedings of the Issuer relating to the issuance of the Bonds or the Continuing Disclosure Agreement, (iii) in any way arising from or relating to the execution or performance of this Loan Agreement or other Bond Documents or Borrower Documents by the Borrower, the issuance or sale of the Bonds, actions taken under the Bond Indenture, actions taken under the Continuing Disclosure Agreement or any other cause whatsoever pertaining to the financing of the Projects with the proceeds of the Bonds and the Issuer's approval under the Act, specifically including, but not limited to, the defense of the validity of the Bonds, compliance of securities laws, or tax exemption of the interest on the Bonds; or (iv) any statement or information relating to the Borrower, its business or properties contained in any final official statement or prospectus furnished to purchasers of any Bonds that is untrue or incorrect in any material respect and any omission relating to the Borrower, its business or properties from any official statement or prospectus of any statement or information which should be contained in it for the purpose for which it is to be used or which is necessary to make the statements in it not misleading in any material respect, if the final official statement or prospectus is approved in writing by the Borrower.

It is the intention of the parties hereto that the Indemnified Parties shall not incur pecuniary liability or expense (specifically including, but not limited to, expenses incurred in defending any claim, action, lawsuit, or administrative or other legal proceeding) by reason of, arising out of, or relating to the Bonds (including the approval, issuance or non-issuance, and, if issued, the administration thereof) or (i) the terms of this Loan Agreement or other Bond Documents or Borrower Documents, or (ii) by reason of, arising out of, or relating to the

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undertakings required of the Issuer, the Bond Trustee, the Sponsoring Political Subdivisions and any of their officials, directors, commissioners, officers, agents and employees hereunder in connection with the issuance of the Bonds, the execution of the Bond Indenture, the performance of any act required of the Issuer, the Bond Trustee, the Sponsoring Political Subdivisions and any of their officials, directors, commissioners, officers, agents, attorneys and employees by this Loan Agreement or other Bond Document or Borrower Document, as applicable, or the performance of any act requested of the Issuer, the Bond Trustee, the Sponsoring Political Subdivisions and any of their officials, officers, directors, commissioners, agents, attorneys and employees by the Borrower or in any way arising from the transaction of which this Loan Agreement or any other Bond Document or Borrower Document, as applicable, is a part or arising in any manner in connection with the Projects; nevertheless, if the Issuer, the Bond Trustee, the Sponsoring Political Subdivisions or any of their officials, officers, directors, commissioners, agents, attorneys and employees should incur any such pecuniary liability, then in such event the Borrower shall indemnify and hold harmless the Issuer, the Bond Trustee, the Sponsoring Political Subdivisions or any of their officials, officers, directors, commissioners, agents, attorneys and employees against all claims by or on behalf of any Person, arising out of the same, and all fees, costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and upon notice from the Issuer, the Bond Trustee, the Sponsoring Political Subdivisions or any of their officials, officers, directors, commissioners, agents or employees, the Borrower shall defend such party, its officials, officers, directors, commissioners, agents or employees in any such action or proceeding.

Promptly after receipt by an Indemnified Party under this Section 5.3 of notice of the existence of a claim in respect of which indemnity hereunder may be sought or of the commencement of any action against the Indemnified Party in respect of which indemnity hereunder may be sought, the Indemnified Party shall notify the Borrower in writing of the existence of such claim or commencement of such action (provided that a failure to so notify the Borrower will not excuse the Borrower from its obligations hereunder). In case any such action shall be brought against an Indemnified Party under this Section 5.3, the Indemnified Party shall notify the Borrower of the commencement thereof and the Borrower shall be entitled to participate in and to assume the defense thereof, with counsel reasonably satisfactory to the Indemnified Party, with full power to litigate, compromise or settle the same; provided that the Indemnified Party shall have the right to review and approve or disapprove any such compromise or settlement; provided, however, that if the Indemnified Party shall have been advised by independent counsel selected by the Indemnified Party that there may be legal defenses available to it which are adverse to or in conflict with those available to the Borrower or other Indemnified Parties which, in the opinion of such counsel or if any such claim involves possible criminal charges, should be handled by separate counsel, the Borrower shall not have the right to assume the defense of such action on behalf of the Indemnified Party, but shall be responsible for the fees and expenses of the Indemnified Party in conducting its defense; and provided, further, that if the Borrower shall have failed to assume the defense of such action and shall have failed to employ counsel therefor reasonably satisfactory to the Indemnified Party within a reasonable time after notice of commencement of such action, such fees and expenses incurred by the Indemnified Party in conducting its own defense shall be borne by the Borrower.

The duty of the Borrower to defend each Indemnified Party under this Section 5.3 shall

commence from the time the claim is known of, and such duty shall exist and continue regardless of the merits of the claim, and shall survive the payment or defeasance of the Bonds and the termination of any other provisions of the Bond Indenture and the Loan Agreement.

In addition, the Borrower agrees that if either party initiates any action, suit or other proceeding with respect to any claim, demand or request for relief, whether judicial, administrative, or other legal proceeding, in which the Issuer or any members of its board, its officers, attorneys, accountants, financial advisors or staff is named or joined as a party, the Borrower will pay to and reimburse to the Issuer the full amount of all fees and expenses incurred by the Issuer with respect to the Issuer's defense of or participation in such action, suit or other proceeding. All Indemnified Parties shall be deemed third party beneficiaries hereof, with full right to enforce the provisions hereof in respect of such Indemnified Party.

The provisions contained in this Section 5.3 pertaining to indemnification of the Issuer Indemnified Parties shall be in addition to any other indemnification provided to such Issuer Indemnified Parties in any other agreement by the Borrower in connection with the issuance and sale of the Bonds and all matters relating thereto.

Notwithstanding any other provision of this Section 5.3 to the contrary, the Borrower's indemnification obligations under this Section 5.3 shall not extend to a Bond Trustee Indemnified Party to the extent of any Liabilities arising from the negligence or willful misconduct of such Bond Trustee Indemnified Party.

(b) The Issuer makes no warranty, either express or implied, as to the Projects or the condition thereof, or that the Projects will be suitable for the purposes or needs of the Borrower. The Issuer makes no representation or warranty, express or implied, that the Borrower will have quiet and peaceful possession of the Projects. The Issuer makes no representation or warranty, express or implied, with respect to the merchantability, condition or workmanship of any part of the Projects or its suitability for the purposes of the Borrower.

(c) Notwithstanding anything to the contrary contained herein or in any of the Bonds, the Bond Indenture, or in any other instrument or document executed by or on behalf of the Issuer in connection herewith, (i) the Issuer shall have no obligation to take action under this Loan Agreement, the Bonds, other Bond Documents or Borrower Documents or such other instruments or documents, unless the Issuer is reasonably requested in writing by an appropriate person to take such action and is provided with indemnity and assurances satisfactory to it of payment of or reimbursement for any expenses (including attorneys' fees) in such action, (ii) neither the Issuer nor any member of the Issuer or any officer, agent relating to the Bonds or the Projects, or employee of the Issuer shall be personally liable to the Borrower, the Bond Trustee or any other person for any action taken by the Issuer or by its officers, agents relating to the Bonds, the Projects, or employees or for any failure to take action under this Loan Agreement, the Bonds, the other Bond Documents, Borrower Documents or such other instruments or documents, except that the Issuer agrees to take, or to refrain from taking, any action if so required by an injunction or if required to comply with any final judgment for specific performance; and (iii) any judgment rendered against the Issuer for breach of its obligations under this Loan Agreement, the Bonds, the other Bond Documents, Borrower Documents or

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such other instruments or documents, shall be payable solely from the revenues derived under this Loan Agreement, the Bond Indenture or other Bond Documents or the Borrower Documents, as applicable, and no other personal liability, or charge payable directly or indirectly from the general funds of the Issuer, shall arise therefrom.

(d) Notwithstanding anything to the contrary contained herein or in any of the Bonds, or this Loan Agreement, the Bond Indenture, other Bond Documents, Borrower Documents or in any other instrument or document executed by or on behalf of the Issuer in connection herewith, no stipulation, covenant, agreement or obligation contained herein or therein shall be deemed or construed to be a stipulation, covenant, agreement, or obligation of any present or future member, officer, employee or agent of the Issuer, or of any incorporator, member, director, trustee, officer, employee or agent of any successor to the Issuer, in any such person's individual capacity, and no such person, in his individual capacity, shall be liable personally for any breach or non-observance of or for any failure to perform, fulfill or comply with any such stipulations, covenants, agreements or obligations, nor shall any recourse be had for the payment of the principal of, premium, if any, or interest on any of the Bonds or for any claim based thereon or on any such stipulation, covenant, agreement, or obligation, against any such person, in his individual capacity, either directly or through the Issuer or any successor to the Issuer, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such person, in his individual capacity, is hereby expressly waived and released.

(e) In the Issuer accepting the provisions for the Borrower to indemnify the Issuer and other Indemnified Parties from claims of third parties, and in the Borrower agreeing to make such indemnities, as provided herein, the Issuer (and all applicable Indemnified Parties) intends to retain, and does not waive, the limits and scope of sovereign immunity enjoyed by the Issuer (or any applicable Indemnified Party) as provided pursuant to State law with respect to such claims, as well as all other immunities, defenses, and privileges the Issuer (or any applicable Indemnified Party) may enjoy with respect to such claims under State or federal law. By the same token, it is intended that the Borrower be able, and the Borrower may assert, with respect to claims for which indemnity is provided by the Borrower to the Issuer, the Issuer's sovereign immunity under State law with respect to such claims, as well as all other immunities, defenses, and privileges the Issuer may enjoy with respect to such claims as may be provided under State or federal law.

(f) The rights of any persons to indemnity hereunder and rights to payment of fees and reimbursement of expenses pursuant to Sections 3.2 hereof and this Section 5.3 shall survive the final payment or defeasance of the Bonds and in the case of the Bond Trustee any resignation or removal. The provisions of this Section shall survive the termination of this Loan Agreement.

Section 5.4 Tax Covenants.

(a) Borrower covenants and agrees that it will at all times do and perform all acts and things permitted and as may from time to time be required by law or this Loan Agreement and the Tax Agreement which are necessary in order to assure that interest paid on the Tax-Exempt Bonds will be excluded from gross income for federal income tax purposes and will take no action that would result in such interest not being so excluded. Without limiting the generality of

the foregoing, Borrower agrees to comply with the provisions of the Tax Agreement. This covenant shall survive payment in full or defeasance of the Tax-Exempt Bonds.

(b) The Issuer has engaged the Arbitrage Rebate Monitor for the primary purposes of maintaining the records of: (i) the applicable arbitrage computation dates, as identified in the Bond Indenture and Tax Agreement, (ii) the Borrower's designation of a Rebate Analyst, and (iii) copies of Rebate Reports provided to the Arbitrage Rebate Monitor by the Rebate Analyst or the Borrower related to the Bonds. The Borrower shall comply with written requests from the Arbitrage Rebate Monitor for any documentation related to the foregoing (i) - (iii). The Rebate Analyst shall review the transcript for the Bonds with respect to the rebate and yield restriction calculations required pursuant to Section 148 of the Code. In the event the Borrower's selected Rebate Analyst does not perform such functions in a timely manner, at the Borrower's expense, the Arbitrage Rebate Monitor shall serve as the Rebate Analyst. In the event the Borrower owes arbitrage rebate or has accrued a yield reduction payment liability to the Internal Revenue Service, the Borrower will coordinate with the Issuer for timely signature of IRS Form 8038-T, Arbitrage Yield Reduction and Penalty in Lieu of Arbitrage Rebate, to be prepared by the Rebate Analyst, together with payment to the Internal Revenue Service in the amount equal to the arbitrage rebate or yield reduction payment liability, as applicable, calculated in accordance with the Tax Agreement for timely submission to the Internal Revenue Service in accordance with Section 148 of the Code. Provided further, the Borrower shall submit all required rebate calculations to the Arbitrage Rebate Monitor within seven (7) days of completion. The provisions of this Section 5.4(b) shall be for the benefit of the Bondholders, and each Bondholder shall be an intended beneficiary of this Section 5.4(b) with the right to enforce it directly against the Borrower. Notwithstanding any other provision of this Loan Agreement or the Bond Indenture, failure of the Borrower or the Arbitrage Rebate Monitor to comply with the provisions of this Section 5.4(b) shall not be considered an Event of Default hereunder or under the Bond Indenture.

Section 5.5 Continuing Disclosure. Borrower hereby covenants to engage the Dissemination Agent and agrees that it will enter into and comply with and carry out all of the provisions of the Continuing Disclosure Agreement, as the continuing disclosure undertaking required by Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 CFR Part 240, Section 240.15c2-12), contemporaneously with the issuance of the Bonds. **The Borrower shall not terminate the Continuing Disclosure Agreement or the Dissemination Agent without the prior written consent of the Issuer**. Notwithstanding any other provision of this Loan Agreement, failure of the Borrower to comply with the Continuing Disclosure Agreement shall not be considered a Loan Default Event; however, the Bond Trustee may (and, at the request of any participating underwriter or the Controlling Party, shall, upon receipt of reasonable indemnification for its fees and costs acceptable to it, including, without limitation, fees, costs and expenses of counsel), and any Holder or beneficial owner may, take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause Borrower to comply with its obligations under this Section 5.5. Borrower understands and agrees that the Issuer has undertaken no continuing disclosure obligations or duty or liability to the Holders or any other person to enforce the provisions of the Continuing Disclosure Agreement or Section 7.11 of the Bond Indenture.

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Section 5.6 Reserved

Section 5.7 Post-Issuance Compliance Policies and Procedures.

The Borrower hereby covenants and agrees that it will comply with and carry out all of the provisions of the Post-Issuance Compliance Policies and Procedures of Capital Trust Authority as attached hereto as Exhibit A.

ARTICLE VI

EVENTS OF DEFAULT AND REMEDIES

Section 6.1 Events of Default. Each of the following events shall constitute and be referred to herein as a "Loan Default Event":

(a) Failure by Borrower to pay in full any payment required hereunder when due, whether at maturity, upon a date fixed for redemption, by acceleration or otherwise pursuant to the terms hereof;

(b) If any material representation or warranty made by Borrower herein or made by Borrower in any document, instrument or certificate furnished to the Bond Trustee or the Issuer in connection with the issuance of the Bonds (including without limitation the Tax Agreement) shall at any time prove to have been incorrect in any material respect as of the time made;

(c) If Borrower shall fail to observe or perform any covenant, condition, agreement or provision in this Loan Agreement on its part to be observed or performed, other than as referred to in subsection (a) or (b) of this Section, or shall breach any warranty by Borrower herein contained, for a period of sixty (60) days after written notice, specifying such failure or breach and requesting that it be remedied, has been given to Borrower by the Issuer or the Bond Trustee; except that, if such failure or breach can be remedied but not within such sixty (60) day period and if Borrower has taken all action reasonably possible to remedy such failure or breach within such sixty (60) day period, such failure or breach shall not become a Loan Default Event for so long as Borrower shall diligently proceed to remedy such failure or breach in accordance with and subject to any directions or limitations of time established by the Bond Trustee; provided, however, with respect to subsection (i) of this Section, the aforementioned period shall be thirty (30) days after written notice and, unless waived in writing by the Issuer, failure or breach of subsection (i) of this Section after such thirty (30) days shall become a Loan Default Event;

(d) If Borrower files a petition in voluntary bankruptcy, for the composition of its affairs under any state or federal bankruptcy or insolvency law, or makes an assignment for the benefit of creditors, or admits in writing to its insolvency or inability to pay debts as they mature, or consents in writing to the appointment of a trustee or receiver for itself or for the whole or any substantial part of Borrower's facilities;

(e) If a court of competent jurisdiction shall enter an order, judgment or decree declaring Borrower an insolvent, or adjudging it bankrupt, or appointing a trustee or receiver of Borrower of the whole or any substantial part of Borrower's facilities, or approving a petition filed against Borrower seeking reorganization of Borrower under any applicable law or statute of

the United States of America or any state thereof, and such order, judgment or decree shall not be vacated or set aside or stayed within sixty (60) days from the date of the entry thereof;

(f) If, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of all or substantially all of Borrower's facilities, and such custody or control shall not be terminated within sixty (60) days from the date of assumption of such custody or control;

(g) Any Event of Default as defined in and under the Bond Indenture; or

(h) The occurrence and continuance of an "Event of Default" under the Master Trust Indenture.

(i) Unless waived in writing by the Issuer, failure of the Borrower to pay to the Bond Trustee an amount sufficient to pay the Annual Issuer's Fee and the Issuer's Fees and Expenses then due in accordance with Section 3.2 hereof within thirty (30) days of the due date of the Annual Issuer's Fee and any other Issuer's Fees and Expenses.

Section 6.2 Remedies on Default. If a Loan Default Event shall occur, then, and in each and every such case during the continuance of such Loan Default Event, the Bond Trustee on behalf of the Issuer, subject to the limitations in the Bond Indenture as to the enforcement of remedies, may take such action as it deems necessary or appropriate to collect amounts due hereunder, to enforce performance and observance of any obligation or agreement of Borrower hereunder, and may, without limiting the generality of the foregoing:

(a) Exercise any or all rights and remedies given hereby or available hereunder or given by or available under any other instrument of any kind securing Borrower's performance hereunder, including the Obligations;

(b) By written notice to Borrower declare an amount equal to all amounts then due and payable on the Bonds, whether by acceleration of maturity or otherwise, to be immediately due and payable under this Loan Agreement, whereupon the same shall become immediately due and payable; and

(c) Take any action at law or in equity to collect the payment required hereunder then due, whether on the stated due date or by declaration of acceleration or otherwise, for damages or for specific performance or otherwise to enforce performance and observance of any obligation, agreement or covenant of Borrower hereunder.

Section 6.3 Discontinuance or Abandonment of Default Proceedings. If any proceeding taken by the Bond Trustee on account of any Loan Default Event shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Bond Trustee, then and in every case the Issuer, the Bond Trustee and Borrower shall be restored to their former position and rights hereunder, respectively, and all rights, remedies and powers of the Issuer and the Bond Trustee shall continue as though no such proceeding had taken place.

Section 6.4 Remedies Cumulative. No remedy conferred upon or reserved to the Issuer or the Bond Trustee hereby or now or hereafter existing at law or in equity or by statute,

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shall be exclusive but shall be cumulative with all others. Such remedies are not mutually exclusive and no election need be made among them, but any such remedy or any combination of such remedies may be pursued at the same time or from time to time so long as all amounts realized are properly applied and credited as provided herein. No delay or omission to exercise any right or power accruing upon any Loan Default Event shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient by the Issuer or the Bond Trustee. In the event of any waiver of a Loan Default Event hereunder, the parties shall be restored to their former positions and rights hereunder, but no such waiver shall extend to any other or subsequent Loan Default Event or impair any right arising as a result thereof. In order to entitle the Bond Trustee to exercise any remedy reserved to it, it shall not be necessary to give notice other than as expressly required herein. To the extent that this Loan Agreement confers upon or gives or grants the Bond Trustee any right, remedy or claim under or by reason of this Loan Agreement, the Bond Trustee is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, give or granted hereunder.

Section 6.5 Application of Moneys Collected. Any amounts collected pursuant to action taken under this Article shall be applied in accordance with the provisions of Article IX of the Bond Indenture. If (i) all payments of principal, premium, if any, and interest on the Bonds have been paid in accordance herewith, (ii) other amounts then due to the Issuer and the Bond Trustee have been paid in accordance with Article IX of the Bond Indenture, and (iii) moneys collected pursuant to this Article remain for the payment of remaining Additional Payments, such amounts shall be paid to the party originally owed them.

Section 6.6 Attorney's Fees and Other Expenses. If, as a result of the occurrence of a Loan Default Event, the Issuer or the Bond Trustee employs attorneys or incurs other expenses for the collection of payments due hereunder including the costs of using attorneys which are employees of the Issuer or the Bond Trustee or for the enforcement of performance or observance of any obligation or agreement on the part of Borrower, Borrower will, on demand, reimburse the Issuer, the Bond Trustee, or both, as the case may be, for the fees and expenses of such attorneys and such other expenses so incurred.

Section 6.7 Notice of Default. Borrower agrees that, as soon as is practicable, and in any event within five (5) days, Borrower will furnish the Bond Trustee and the Issuer notice of any event which is a Loan Default Event pursuant to Section 6.1 which has occurred and is continuing on the date of such notice, which notice shall set forth the nature of such event and the action which Borrower proposes to take with respect thereto.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Amendments and Supplements. This Loan Agreement may be amended, changed or modified only as provided in Article XI of the Bond Indenture.

Section 7.2 Time of the Essence; Non-Business Days. Time shall be of the essence of this Loan Agreement. When any action is provided for herein to be done on a day named or

within a specified time period, and the day or the last day of the period falls on a day other than a Business Day, such action may be performed on the next ensuing Business Day with the same effect as though performed on the appointed day or within the specified period.

Section 7.3 Binding Effect. This instrument shall inure to the benefit of and shall be binding upon the Issuer and Borrower and their respective successors and assigns, subject to the limitations contained herein; provided, however, that the Bond Trustee shall have only such duties and obligations as are expressly given to it hereunder.

Section 7.4 Entire Agreement. This Loan Agreement, together with all agreements and documents incorporated by reference herein, constitutes the entire agreement of the parties and is not subject to modification, amendment, qualification or limitation except as expressly provided herein.

Section 7.5 Severability. If any covenant, agreement or provision, or any portion thereof contained in this Loan Agreement, where the application thereof to any person or circumstance is held to be unconstitutional, invalid or unenforceable, the remainder of this Loan Agreement and the application of such covenant, agreement or provision, or portion thereof, to other persons or circumstances, shall be deemed severable and shall not be affected thereby, and this Loan Agreement shall remain valid, and the Bondholders shall retain all valid rights and benefits accorded to them under this Loan Agreement and the Act and laws of the State.

Section 7.6 Notices.

(a) Unless otherwise expressly specified or permitted by the terms hereof, all notices, consents or other communications required or permitted hereunder shall be deemed sufficiently given or served for all purposes by being given in writing delivered or sent by Electronic Means receipt confirmed or by being mailed by first-class mail, postage prepaid and addressed as follows:

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(i) If to Borrower:

Alpha Lifestyle Partners, Inc.
2102 East State Highway 114, Suite 300
Southlake, Texas 76092
Attention: Dan Meader
Phone: (214) 289-2516
Attention: dan@alphalifestylepartners.org

With a copy to:

Alpha Lifestyle Partners, Inc.
2102 East State Highway 114, Suite 300
Southlake, Texas 76092
Attention: Cassidy Dines
Phone: (303) 957-7419
Attention: **cassidy@alphalifestylepartners.org**

(ii) If to the Issuer:

Capital Trust Authority
315 Fairpoint Drive
Gulf Breeze, Florida 32561
Attention: Executive Director
Phone: (850) 934-4046
Email: dmckinnon@muniad.com

With a copy to:

Bryant Miller Olive P.A.
400 North Tampa Street, Suite 1600
Tampa, Florida 33602
Attention: Kareem J. Spratling, Esq.
Phone: (813) 273-6677
Email: kspratling@bmolaw.com

(iii) If to the Bond Trustee:

UMB BANK, N.A.
7155 Lake Drive, Suite 120
West Des Moines, Iowa 50266]
Attention: Minda Barr
Phone: (515) 368-6064
Email: Minda.barr@umb.com

(b) If to the registered Holder of a Bond, addressed to such Holder at the address shown on the books of the Bond Trustee kept for that purpose.

(c) Borrower, the Issuer and the Bond Trustee may at any time and from time to time by notice in writing to the other Persons listed in Section 7.6(a) designate a different address or addresses for notice under this Loan Agreement.

Section 7.7 Waiver of Personal Liability. No Issuer Indemnified Party shall be individually or personally liable for the payment of any principal of or interest or premium on any Bonds, any costs incidental hereto or any other sum hereunder or under the Bond Indenture or be subject to any personal liability or accountability by reason of the execution and delivery of this Loan Agreement or the Bond Indenture.

Section 7.8 Term. Except as otherwise provided herein this Loan Agreement shall remain in full force and effect from the date of execution hereof until no Bonds remain Outstanding under the Bond Indenture and all of Borrower's other obligations hereunder have been satisfied in full.

Section 7.9 Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

Section 7.10 Governing Law; Venue. This Loan Agreement shall be governed in all respects, including validity, interpretation and effect, by, and shall be enforceable in accordance with, the laws of the State without regard to conflict of laws principles. Subject to the rights of the Bond Trustee to assert claims and take actions with respect to the Projects in the states in which the Projects are located, all claims of whatever character arising out of this Loan Agreement, or under any statute or common law relating in any way, directly or indirectly, to the subject matter hereof or to the dealings between the Issuer and any other party hereto, if and to the extent that such claim potentially could or actually does involve the Issuer or any Issuer Indemnified Party, shall be brought in any state or federal court of competent jurisdiction located in Santa Rosa County, Florida. By executing and delivering this Loan Agreement, each party hereto irrevocably; (i) accepts generally and unconditionally the exclusive jurisdiction and venue of such courts; (ii) waives any defense of *forum non conveniens*; (iii) agrees not to seek removal of such proceedings to any court or forum other than as specified above. The foregoing shall not be deemed or construed to constitute a waiver by the Issuer of any prior notice or procedural requirements applicable to actions or claims against or involving joint powers commissions or governmental units of the State that may exist at the time of and in connection with such matter. The Issuer does not waive its right to a trial by jury.

Section 7.11 Third Party Beneficiaries. Notwithstanding any provision hereof to the contrary, it is specifically acknowledged and agreed that, to the extent of their rights hereunder (including, without limitation, their rights to immunity and exculpation from pecuniary liability) each of the Issuer Indemnified Parties is a third-party beneficiary of this Loan Agreement entitled to enforce such rights in his, her, its or their own name, and the Bond Trustee Indemnified Parties and the registered owners of the Bonds are also intended "Third Party Beneficiaries" of this Loan Agreement. Nothing in this Loan Agreement shall confer any right upon any Person

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other than parties hereto, and those specifically designated as Third Party Beneficiaries of this Loan Agreement.

Section 7.12 Reserved.

Section 7.13 No Personal Liability of Officials of Borrower, Issuer or Bond Trustee. None of the covenants, stipulations, promises, agreements and obligations of the Borrower, the Issuer or the Bond Trustee contained herein shall be deemed to be covenants, stipulations, promises, agreements or obligations of any official, officer, agent or employee of the Borrower, the Issuer or the Bond Trustee in his or her individual capacity, and no recourse shall be had for the payment of the principal of or premium, if any, or interest on the Bonds or for any claim based thereon or any claim hereunder against any official, officer, agent or employee of the Issuer, the Borrower or the Bond Trustee or any natural person executing any Bond, including any officer or employee of the Bond Trustee.

Section 7.14 Special, Limited Obligations of Issuer; Limitation of Liability.

(a) Anything in this Loan Agreement to the contrary notwithstanding, it is expressly understood and agreed by the parties hereto that the Issuer may rely conclusively on the truth and accuracy of any certificate, opinion, notice, or other instrument furnished to the Issuer by the Borrower as to the existence of any fact or state of affairs required hereunder to be noticed by the Issuer.

(b) No covenant or agreement contained in this Loan Agreement or the Bond Indenture shall be deemed to be the covenant or agreement of any officer, director, member, official, employee or agent of the Issuer, in his or her individual capacity, and none of such persons shall be subject to any personal liability or accountability by reason of the execution hereof or thereof, whether by virtue of any constitution, statute or rule of law, or by the enforcement or any assessment or penalty, or otherwise. No recourse shall be had against any commissioner, member, director, officer, employee, agent or counsel, past, present, or future of the Issuer, either directly or through the Issuer or otherwise for payment for or to the Issuer or any receiver thereof, or for or to any Holder of the Bonds, or otherwise, of any sum that may be due and unpaid by the Issuer upon the Bonds or under or upon any obligation, covenant or agreement contained in this Loan Agreement or in any other document executed in connection therewith. Neither shall any recourse be had against any of such Persons on account of the issuance and sale of the Bonds or on account of any representations in connection therewith. Any and all personal liability or obligation, whether in common law or in equity, or by reason of statute or constitution or by the enforcement of any assessment or otherwise, of such commissioner, member, director, officer, employee, agent or counsel to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Issuer or any receiver thereof, of for or to any Holder of the Bonds or otherwise, of any sum that may remain due and unpaid upon the Bonds or under any documents executed in connection with the issuance thereof is hereby expressly waived and released as a condition of and in consideration for the execution of this Loan Agreement and the issuance of the Bonds.

(c) Notwithstanding anything to the contrary in the Bond Indenture or this Loan Agreement, the Issuer shall have no obligation to and instead the Bond Trustee and/or the

Bondholders, as the case may be, in accordance with the Bond Indenture or this Loan Agreement, shall have the right, without any direction from or action by the Issuer, to take any and all steps, actions and proceedings, to enforce any or all rights of the Issuer (other than the Issuer's Reserved Rights) under the Bond Indenture or this Loan Agreement, including, without limitation, the rights to enforce the remedies upon the occurrence and continuation of an Event of Default and the Obligations of the Borrower under this Loan Agreement.

(d) Nothing herein shall be deemed or construed to limit, impair or affect in any way the Issuer's (or any Issuer Indemnified Party's) right to enforce the Issuer's Reserved Rights, regardless of whether there is then existing an Event of Default (including, without limitation, a payment default), or any action based thereon or occasioned by an Event of Default or alleged Event of Default, and regardless of any waiver or forbearance granted by the Bond Trustee or any Bondholder in respect thereof. Any default or Event of Default in respect of the Issuer's Reserved Rights may only be waived with the Issuer's written consent.

(e) None of the provisions of the Bond Indenture or this Loan Agreement shall require the Issuer to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless payable from the revenues pledged hereby for the payment of the Bonds and their application as provided in the Bond Indenture, or unless the Issuer shall first have been adequately indemnified to its satisfaction against the cost, expense, and liability which may be incurred thereby. The Issuer shall not be under any obligation hereunder to perform any administrative service with respect to the Bonds or the Projects (including, without limitation, record keeping and legal services), it being understood that such services shall be performed or provided by the Bond Trustee or the Borrower. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions expressly contained in the Bond Indenture, this Loan Agreement, and any and every Bond executed, authenticated and delivered under the Bond Indenture; provided, however, that the Issuer shall not be obligated to take any action or execute any instrument pursuant to any provision hereof unless and until it shall have (i) been directed to do so in writing by the Borrower, the Bond Trustee, or the Bondholders having the authority to so direct; (ii) received from the Person requesting such action or execution assurance satisfactory to the Issuer that the Issuer's expenses incurred or to be incurred in connection with taking such action or executing such instrument have been or will be paid or reimbursed to the Issuer; and (iii) if applicable, received in a timely manner the instrument or document to be executed, in form and substance satisfactory to the Issuer.

In complying with any provision herein or in the Bond Indenture, including but not limited to any provision requiring the Issuer to "cause" another Person to take or omit any action, the Issuer shall be entitled to rely conclusively (and without independent investigation or verification) (i) on the faithful performance by the Bond Trustee or the Borrower, as the case may be, of their respective obligations hereunder and under the Bond Indenture and (ii) upon any written certification or opinion furnished to the Issuer by the Bond Trustee or the Borrower, as the case may be. In acting, or in refraining from acting, under this Loan Agreement, the Issuer may conclusively rely on the advice of its counsel. The Issuer shall not be required to take any action hereunder or under the Bond Indenture that it reasonably believes to be unlawful or in contravention hereof or thereof.

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Section 7.15 No Warranty by Issuer. The Issuer makes no warranty, either express or implied, as to the Projects or the condition thereof, or that the Projects will be suitable for the purposes or needs of the Borrower. The Issuer makes no representation or warranty, express or implied, that the Borrower will have quiet and peaceful possession of the Projects. The Issuer makes no representation or warranty, express or implied, with respect to the merchantability, condition or workmanship of any part of the Projects or its suitability for the purposes of the Borrower.

Section 7.16 Prior Loan Agreements Superseded. This Loan Agreement, together with all agreements executed by the parties concurrently herewith or in conjunction with the initial issuance of the Bonds, shall completely and fully supersede all other prior understandings or agreements, both written and oral, between the Issuer and the Borrower relating to the Bonds, the lending of money and the Projects.

Section 7.17 Covenant by the Borrower with Respect to Statements, Representations and Warranties. It is understood by the Borrower that all such statements, representations and warranties made in this Loan Agreement shall be deemed to have been relied upon by the Issuer as an inducement to issue the Bonds, and that if any such statements, representations and warranties were false at the time they were made or (with respect to those representations and warranties that are to continue) are breached during the term hereof, such misrepresentation or breach shall constitute a breach of this Loan Agreement that may give rise to an event of default hereunder.

Section 7.18 Survival. Notwithstanding the payment in full of the Bonds, the discharge of the Bond Indenture, and the termination or expiration of the Obligations and this Loan Agreement, all provisions in this Loan Agreement concerning (a) the tax-exempt status of the Tax-Exempt Bonds (including, but not limited to provisions concerning the payment of the Rebate Amount (as defined in the Tax Agreement)), (b) the interpretation of this Loan Agreement, (c) the governing law, jurisdiction and venue, (d) the Issuer's right to rely on written representations of others contained herein or in any other document or instrument issued or entered into in respect of the Bonds, regardless of whether the Issuer is a party thereto, (e) the indemnification rights and exculpation from liability of the Issuer and the Issuer Indemnified Parties, and (f) any other provision of this Loan Agreement not described or enumerated above that expressly provides for its survival, shall survive and remain in full force and effect notwithstanding the payment or redemption in full, or defeasance of the Bonds, the discharge of the Bond Indenture, and the termination or expiration of this Loan Agreement.

Section 7.19 Notice of Change in Fact. The Borrower will notify the Issuer and the Bond Trustee promptly after the Borrower becomes aware of (i) any change in any material fact or circumstance represented or warranted by the Borrower in this Loan Agreement or in connection with the issuance of the Bonds that would make any such representation or warranty false when made, (ii) any default or event that, with notice or lapse of time or both, is reasonably likely to become an Event of Default under this Loan Agreement, the Bond Indenture or any Borrower Document, specifying in each case the nature thereof and what action the Borrower has taken, is taking, and/or proposes to take with respect thereto, (iii) any Internal Revenue Service audit of the Borrower or the Bonds, (iv) any material litigation affecting the Bonds, the Borrower or the facilities, and (v) any default in any indebtedness of the Borrower.

Section 7.20 Exculpatory Provision. In the exercise of the powers of the Issuer, the Bond Trustee and the other Indemnified Parties under the Bond Indenture, the Tax Agreement, the Continuing Disclosure Agreement and this Loan Agreement or any other Bond Document or Borrower Document, the Issuer, the Bond Trustee and the other Indemnified Parties shall not be accountable to the Borrower for any action taken or omitted by it or its officers in good faith and believed by it or them to be authorized or within their discretion or rights or powers conferred on them. The Issuer, the Bond Trustee and the other Indemnified Parties and their officers shall be protected in its or their acting upon any paper or document believed by it or them to be genuine, and it and they may conclusively rely upon the advice of counsel and may (but need not) require further evidence of any fact or matter before taking any action.

Section 7.21 Usury. In no event shall the aggregate amounts contracted for, demanded, charged, or collected in connection herewith which are deemed "interest" exceed the Lawful Rate. The term "Lawful Rate" shall mean the highest lawful rate of interest applicable to the Bonds pursuant to laws of the State. It is expressly stipulated and agreed to be the intent of the Borrower and the Issuer at all times to comply with the applicable law governing the Lawful Rate or amount of interest payable on or in connection with the Bonds (or applicable United States federal law to the extent that it permits the Issuer to contract for, demand, charge, take, reserve, or receive a greater amount of interest than under law of the State). If the applicable law, as judicially interpreted from time to time, shall ever render usurious any amount called for under this Loan Agreement, the Bonds, or under any of the other Bond Documents or Borrower Documents, or contracted for, demanded, charged, taken, reserved, or received with respect to the Bonds, or if acceleration of the maturity of the Bonds or if any prepayment by the Borrower results in the Borrower having paid any interest in excess of that permitted by law, then it is the Borrower's and the Issuer's express intent that all excess amounts theretofore collected by the Issuer be credited on the principal balance of the Bonds (or, if the Bonds have been or would thereby be paid in full, the excess refunded to the Borrower), and the provisions of the Bonds and the other Bond Documents and Borrower Documents immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new documents, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder. The right to accelerate maturity of Bonds does not include the right to accelerate any interest which has not otherwise accrued on the date of acceleration, and the Issuer does not intend to collect any unearned interest in the event of acceleration. All sums paid or agreed to be paid to the Issuer for the use, forbearance, or detention of the Indebtedness evidenced hereby shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full term of such Indebtedness until payment in full so that the rate or amount of interest on the account of such Indebtedness does not exceed the applicable usury ceiling. Notwithstanding any provision contained in the Bonds or in any other Bond Documents or Borrower Documents that permit the compounding of interest, including, without limitation, any provision by which any accrued interest is added to the principal amount of the Bonds, the total amount of interest that the Borrower is obligated to pay and the Issuer is entitled to receive with respect to the Bonds shall not exceed the amount calculated on a simple (i.e., noncompounded) interest basis at the Lawful Rate on principal amounts actually advanced to or for the account of the Borrower, so

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long as such advances remain outstanding, including all current and prior advances and any advances made pursuant to the Bond Documents or Borrower Documents (such as the payment of taxes, insurance premiums, and similar expenses or costs). This Loan Agreement is also subject to the condition that amounts paid hereunder representing late payment or penalty charges or the like shall only be payable to the extent permitted by law.

[Remainder of Page Intentionally Left Blank | Signature Pages Follow]

IN WITNESS WHEREOF, the Issuer and Borrower have caused this Loan Agreement to be executed in their respective names as of the date first written above.

CAPITAL TRUST AUTHORITY

By: _____
Name: Chris Kemp
Title: Chair

ATTEST:

By: _____
Name: Cherry Fitch
Title: Secretary

[First Signature Page | Loan Agreement]

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ALPHA LIFESTYLE PARTNERS, INC.,
a Delaware nonstock corporation,
as Borrower

By: _____
Name:
Title:

[Second Signature Page | Loan Agreement]

EXHIBIT A

POST-ISSUANCE COMPLIANCE POLICIES AND PROCEDURES

[Follows]

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CTA

Capital Trust Authority

Tax-Exempt Debt
Post-Issuance Compliance Policies and Procedures

Adopted January 12, 2023

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Part I. Purpose.

It is the policy of Capital Trust Authority ("Authority") to comply, and have each conduit borrower (each, a "Borrower"), as listed in Exhibit A, comply, with all applicable federal tax rules related to the tax-exempt debt ("debt"[1]) issuances for which the Authority acts as a conduit issuer. As of the date of adoption of the following policies and procedures ("Policies and Procedures"), the Authority has or will act as the conduit issuer for "qualified private activity" bonds authorized under Section 142 ("Exempt Facility Bonds") of the Internal Revenue Code of 1986, as amended ("IRC"), or Section 145 ("Qualified 501(c)(3)" Bonds) of the IRC.

These Policies and Procedures are intended to serve as a guide for both the Authority and each of the Borrowers to facilitate compliance with the federal tax laws applicable to any of the Authority's outstanding conduit debt issuances for a Borrower (collectively, such debt issuances are referred to as "Borrower's Bonds").

In the event these Policies and Procedures conflict, in whole or in part, with the Tax Certificate and Agreement (or other similar certificate) (the "Tax Certificate") prepared on behalf of the Authority in connection with a debt issuance for a Borrower, the terms of the Tax Certificate shall control.

Part II. Responsibility of a Borrower's Primary Compliance Officer.

Except as otherwise described herein, a designated representative of the Authority (the "Authority Compliance Officer"), has primary responsibility for ensuring that the Authority's outstanding debt issuances are, and will remain, in compliance with federal tax law. It is the policy of the Authority to ensure this compliance by requesting each borrower to designate a "Primary Compliance Officer," as listed in Exhibit A, for each Borrower, who will be responsible for ensuring that the responsibilities designated to the Borrower, as detailed in these Policies and Procedures, are met, with respect to each of the Borrower's Bonds. The Authority Compliance Officer and each Borrower's Primary Compliance Officer may consult with the Authority's bond counsel, as well as other third-party providers, as needed, to ensure compliance with these Policies and Procedures.

The Authority encourages each Borrower to implement its own post-issuance policies and procedures. In addition, upon the recommendation of the Authority's counsel, the Authority may require each Borrower's Primary Compliance Officer, at the same time that these Policies and Procedures are reviewed, to complete a questionnaire for each issue of Borrower's Bonds outstanding. The forms of the questionnaires are shown on Exhibit B.

[1] Unless otherwise indicated herein, all references to "debt" shall include any tax-exempt debt.

Part III. Closing of Debt Issuances.

A. Tax Certificates. The Authority's bond counsel, with assistance from the Borrower for such debt issuance and professionals associated with the financing, shall prepare a Tax Certificate in connection with each conduit debt issuance issued by the Authority, to be executed by the Executive Director, as well as the Borrower's Primary Compliance Officer or other authorized designee of the Borrower, at closing. The Tax Certificate shall serve as the operative document for purposes of establishing the Authority's and Borrower's reasonable expectations as of the date of issue of the Borrower's Bonds, as well as provide a summary of the federal tax rules applicable to such issuance. The Authority Compliance Officer and the Borrower's Primary Compliance Officer will review with the Authority's bond counsel the Tax Certificate prepared for each of the Authority's conduit debt issues for a Borrower prior to the closing of the issue.

B. Internal Revenue Service Form 8038 – Tax-Exempt Bonds. The Authority's bond counsel, with assistance from the Borrower's Primary Compliance Officer and other professionals associated with the financing, shall prepare an Internal Revenue Service ("IRS") Form 8038 (Information Return for Tax-Exempt Private Activity Bond Issues), in connection with each conduit debt issuance issued by the Authority, which the Authority Compliance Officer and the Borrower's Primary Compliance Officer will review prior to closing. Each IRS Form 8038 prepared for a debt issuance for a Borrower will be filed by the Authority's bond counsel with the IRS no later than the 15th day after the 2nd calendar month after the close of the calendar quarter in which the tax-exempt obligation to which such Form 8038 relates is issued.

Part IV. Use of Debt Proceeds – Qualified 501(c)(3) Bonds.

A. Private Use Generally. Neither the Authority nor any Borrower of proceeds of Qualified 501(c)(3) Bonds will knowingly take or permit to be taken any action which would cause any of the Borrower's Qualified 501(c)(3) Bonds to become "private activity bonds" other than Qualified 501(c)(3) Bonds as described below. Generally, a bond issue constitutes Qualified 501(c)(3) Bonds if:

1. 100% of the property which is financed or refinanced by the net proceeds of the bonds is owned by an organization described in Section 501(c)(3) of the IRC or a governmental unit, and

2. (a) At least 95% of the net proceeds of the bonds are used by a 501(c)(3) organization in furtherance of its exempt purpose or by a governmental unit. In general, an activity is treated as "exempt" if it does not constitute an "unrelated trade or business" of the 501(c)(3) organization using the net proceeds of the bonds, determined by applying Section 513(a) of the IRC, or

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(b) Not more than 5% of the net proceeds of the bonds is (a) secured by an interest in property, or payments in respect of property, used by a 501(c)(3) organization in an unrelated trade or business or for a private business use, or (2) derived from payments (whether or not to the Authority) made in respect of property, or borrowed money, used by a 501(c)(3) organization in an unrelated trade or business or for a private business use.

B. Overview. Each Borrower's Primary Compliance Officer will be responsible for routinely reviewing the uses of its facilities financed with the proceeds of Borrower's Qualified 501(c)(3) Bonds for continued qualification of such bonds as Qualified 501(c)(3) Bonds. In addition, the Borrower may consult with the Authority's bond counsel regarding the applicable federal tax limitations imposed on each series of Borrower's Qualified 501(c)(3) Bonds and whether arrangements with third parties give rise to private business use of the financed projects. The private business use arrangements to be monitored by the Borrower include, but are not limited to, the following:

1. Management or Other Service Contracts. In the event the Borrower enters into a management contract, service agreement, operating agreement or license with a third-party, the Borrower will evaluate whether such arrangement results in private business use. The Borrower's Primary Compliance Officer shall be responsible for such evaluation and will review every service contract entered into involving the use of property financed with the proceeds of Borrower's Qualified 501(c)(3) Bonds. For these purposes, a management contract, service agreement, operating agreement and license include any contract under which a service provider provides services involving any portion of property financed with the proceeds of Borrower's Qualified 501(c)(3) Bonds (a "Service Contract").

It is the intent of both the Authority and the Borrower to have the Borrower structure all Service Contracts impacting property financed with the proceeds of Borrower's Qualified 501(c)(3) Bonds so as to satisfy one of the private business use safe harbors set forth in Revenue Procedure 2017-13. If the Borrower expects to enter into a Service Contract that may not satisfy the safe harbors set forth in Revenue Procedure 2017-13, the Borrower should consult with the Authority's bond counsel to assess the impact, if any, that the noncompliant Service Contract would have on the tax status of the Borrower's Qualified 501(c)(3) Bonds, if any. For Borrower's reference, Revenue Procedure 2017-13 can be found as Exhibit C to this Policies and Procedures.

2. Leases and Subleases. Each Borrower's Primary Compliance Officer will monitor all leases and subleases that involve the use of property financed with the proceeds of Borrower's Qualified 501(c)(3) Bonds, including the name of the lessee (or sublessee), the term of the lease (or sublease), the amount of the rent paid by the lessee (or sublessee) and the square footage of space used by the lessee (or sublessee) relative to the square footage of such property.

3. Naming Rights Agreements. Each Borrower's Primary Compliance Officer will monitor all naming rights agreements that involve property financed with the proceeds of Borrower's Qualified 501(c)(3) Bonds, including the term of the arrangement and the amount paid by the naming party.

4. Sponsored Research. Each Borrower's Primary Compliance Officer will monitor all "Sponsored Research Agreements" that involve property financed with the proceeds of Borrower's Qualified 501(c)(3) Bonds. The Borrower will apply Revenue Procedure 2007-47, 2007-29 I.R.B. 108, to any research sponsorship agreement existing now or in the future with respect to such property.

5. Clinical Trials. Each Borrower's Primary Compliance Officer will monitor all clinical trial agreements that involve property financed with the proceeds of Borrower's Qualified 501(c)(3) Bonds, including the term of the arrangement, the sponsoring entity, the trial to be conducted and the amount paid by the sponsoring party.

6. Joint Ventures and Partnership Arrangements. Each Borrower's Primary Compliance Officer will monitor all joint ventures, partnerships, or other cooperative agreements that involve the use of property financed with the proceeds of Borrower's Qualified 501(c)(3)Bonds.

7. Unrelated Trade or Business Use. Each Borrower's Primary Compliance Officer will monitor all uses of the bond financed property to determine whether any uses of such property gives rise to unrelated trade or business use.

C. Sales of Debt-Financed Property. It is the Authority's policy to have the Borrower use proceeds of Borrower's Qualified 501(c)(3) Bonds to finance property that the Borrower intends to own for the entire term of the debt issue financing the projects. Prior to selling or otherwise disposing of any project financed with the proceeds of Borrower's Qualified 501(c)(3)Bonds for which debt remains outstanding, the Borrower shall consult with the Authority's bond counsel to determine the impact, if any, such sale or disposition would have on the tax status of the Borrower's Qualified 501(c)(3) Bonds.

D. Form 990 – Schedule K. Each Borrower of Qualified 501(c)(3) Bonds shall file Schedule K (Form 990) annually with the IRS to provide certain information on their outstanding liabilities associated with tax-exempt bond issues. Upon filing with the IRS, the Borrower shall provide a copy of Schedule K to the Authority.

Part V. Use of Debt Proceeds – Exempt Facility Bonds.

A. Use of Proceeds. Section 142(a) of the IRC requires that 95% or more of the "net proceeds" of a Borrower's Exempt Facility Bonds be used to provide the exempt facility.

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B. Use of Exempt Facilities. The Borrower shall consult the Tax Certificate prepared for the Exempt Facility Bonds to determine the ownership and use standards applicable to the Exempt Facility Bonds.

Part VI. Arbitrage Limitations Imposed on Debt Issuances.

A. Rebate Analyst. At closing, each Borrower will retain an arbitrage rebate analyst (a "Rebate Analyst"). The Rebate Analyst will perform calculations to ascertain whether the Borrower owes an arbitrage rebate payment or yield reduction payment to the IRS, including whether the debt issuance in question qualifies for an exception to the arbitrage rebate rules. In the event a Borrower owes arbitrage rebate or has accrued a yield reduction payment liability to the IRS, that Borrower will coordinate with the Issuer for timely[2] signatures of IRS Form 8038-T, Arbitrage Rebate Yield Reduction and Penalty in Lieu of Arbitrage Rebate, to be prepared by the Rebate Analyst, together with payment in the amount equal to the arbitrage rebate or yield reduction payment liability calculated by the Rebate Analyst in accordance with the Tax Certificate related to such debt issue. Each Borrower will submit copies of reports and/or related materials to the Authority and the Authority's arbitrage rebate monitor evidencing that such payment has been made.

Part VII. Accounting for Debt Proceeds.

A. General. Except as otherwise described below and in the Tax Certificate entered into by the Authority and a Borrower in connection with a debt issuance, it is the policy of the Authority to have each Borrower consistently apply a generally accepted method of accounting for and allocating its debt proceeds.

B. Investment of Proceeds. Proceeds of each borrower's capital borrowings shall be accounted for in a separate fund or account. All proceeds shall be invested at the direction of the Borrower's Primary Compliance Officer.

C. Expenditure of Debt Proceeds on Capital Projects. The Borrower's Primary Compliance Officer reviews and approves invoices related to debt financed expenditures and causes payments to be made. All invoices and records of payment (either in the form of paper checks or electronic funds transfer confirmations) are retained by, or caused to be retained by, the Borrower in accordance with Part VIII, "Recordkeeping," below.

[2] For these purposes, timely shall mean within 60 days after each installment computation date, the Borrower will cause to be paid to the IRS at least 90% of the amount of arbitrage rebate and yield reduction payment liability owed and within 60 days after the final installment computation date, the Borrower will cause to be paid to the IRS 100% of the amount of arbitrage rebate and yield reduction payment liability owed.

Each Borrower shall maintain accounting records, updated with each payment of an expenditure from proceeds of Borrower's Bonds, that for each outstanding issue of Borrower's Bonds show:

(1) The name and date of issue of the issue of Borrower's Bonds to which the proceeds relate;
(2) The projects financed with the proceeds of the issue of Borrower's Bonds;
(3) The authorized amount of proceeds to be used to finance each project;
(4) The amount of proceeds of the issue of Borrower's Bonds used to date to finance each project;
(5) The amount of unspent proceeds of the issue of Borrower's Bonds to be used to finance each project; and
(6) The date on which the debt proceeds related to each project were fully expended.

Part VIII. Recordkeeping.

A. General. The Authority's relationship with Digital Assurance Certification, L.L.C. ("DAC") is intended to assist the Authority in maintaining compliance with their recordkeeping responsibilities. Each Tax Certificate prepared on behalf of the Authority and a Borrower for a debt issuance shall provide for a description of the records to be maintained by or on behalf of the Authority and a Borrower and the period of time such records must be maintained. In addition, each Borrower will remain familiar with the IRS's Frequently Asked Questions related to the recordkeeping requirements for debt.

B. Means of Maintaining Records. Each of the Borrowers may maintain all records required to be held as described in this Part VIII in paper and/or electronic (e.g., CD, disks, tapes) form either internally or through the record-keeping system maintained by DAC. It is the policy of the Authority to have each Borrower maintain as much of its records electronically as feasible.

C. Transcript and Use of Debt Proceeds. Each Borrower shall maintain, or cause to be maintained, all records relating to the tax-exempt status of its debt issuances and the representations, certifications and covenants set forth in its respective Tax Certificates until the date 3 years after the last outstanding obligation of the issue to which such records and Tax Certificate relate has been retired. These records include, but are not limited to, the following:

(1) basic records and documents relating to the obligations (including the transcript, which shall include, among other records, the Tax Certificate, Internal Revenue Service Form 8038-G, verification report, authorizing resolution(s), trust indenture, loan agreement, record of public approval, and the opinion of bond counsel),

(2) documentation evidencing the expenditure of debt proceeds,

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(3) documentation evidencing the use of debt financed projects by public and private sources, including copies of all arrangements described in Part VI of these Policies and Procedures,

(4) documentation evidencing all sources of payment or security for the debt issuance; and

(5) documentation pertaining to any investment of debt proceeds (including the purchase and sale of securities, SLGS subscriptions (if applicable), yield calculations for each class of investments, actual investment income received from the investment of proceeds, guaranteed investment contracts, and rebate calculations).

D. Investment Records. Each Borrower shall maintain detailed records with respect to every investment acquired with proceeds of its debt issuances until the date three years after the last outstanding obligation of the issue to which such records and nonpurpose investments relate has been retired. These records may reflect, but are not limited to, the following:

(1) purchase date, (2) purchase price, (3) information establishing fair market value on the date such investment became allocated to gross proceeds of the debt, (4) any accrued interest paid, (5) face amount, (6) coupon rate, (7) periodicity of interest payments, (8) disposition price, (9) any accrued interest received, (10) disposition date, and (11) broker's fees paid (if at all) or other administrative costs with respect to each such nonpurpose investment.

E. Arbitrage Rebate and Yield Reduction Payment Records. Each of the Borrowers shall maintain all records of arbitrage rebate payment and yield reduction payment calculations performed by the Rebate Analyst (irrespective of whether that Borrower owed any amount to the IRS), and records related to any arbitrage rebate payments or yield reduction payments made to the IRS, including the calculations performed by the Rebate Analyst substantiating such payments, together with the IRS Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, that accompanied all such payments, until the date 3 years after the last outstanding obligation of the issue to which such records and rebate payments relate has been retired.

F. Overpayment of Arbitrage Rebate Records. In the event a Borrower has overpaid to the United States an arbitrage rebate or yield reduction payment liability, the Borrower shall maintain all records of such arbitrage rebate payments or yield reduction payments, including calculations performed by the Rebate Analyst, together with the IRS Form 8038-R, Request for Recovery of Overpayments Under Arbitrage Rebate Provisions, that accompanied the request for a recovery of such overpayment until the date 3 years after the last outstanding obligation of the issue to which such records and rebate overpayments relate has been retired.

G. Other Records. In addition to the records described above, each Borrower will maintain the following records, to the extent applicable to a particular debt offering, until the date 3 years after the last outstanding obligation of the issue to which such relate has been retired:

(1) minutes and resolutions authorizing the issuance of, or the reimbursement of expenditures using proceeds of, the financing,
(2) appraisals, demand surveys and feasibility studies related to debt financed or refinanced property,
(3) documentation relating to any third-party funding for a project to which debt proceeds will be applied (including government grants),
(4) records of any Internal Revenue Service audit(s) or compliance check(s), or any other Internal Revenue Service inquiry related to the debt.

H. Applicability of Recordkeeping Requirement in the Event of a Refunding. In the event the Authority issues debt to retire prior debt of any of the Borrowers, that Borrower shall maintain all of the records described in this Part VIII with respect to the refunded debt until the date that is three years after the last outstanding tax-exempt obligation of the issue the proceeds of which were used to retire the refunded debt has been retired.

Part IX. Corrective Action.

A. General. In the event a violation of federal tax law is discovered, the Borrower's Primary Compliance Officer for such series of Bond will consult with the Authority Compliance Officer and the Authority's bond counsel to determine the best corrective action.

B. Remedial Actions. The Authority is aware of the remedial action rules contained in Treasury Regulations Section 1.141-12 (for Qualified 501(c)(3) Bonds) and Section 1.142-4 (for Exempt Facility Bonds), providing the Authority and Borrowers with the ability, in certain circumstances, to voluntarily remediate violations of the private business tests or private loan financing test. Although the Authority intends that none of its debt issuances will require the application of the remedial action rules, prior to taking any action that would cause one or more of its outstanding debt issuances to, absent a remedial action, violate the private business tests or private loan financing test, the Authority may consult with its bond counsel regarding the applicability of the remedial action rules to such action and the ability to remediate the impacted debt issuance.

C. Voluntary Closing Agreement Program. The Authority is aware of its ability, pursuant to IRS Notice 2008-31, to request a voluntary closing agreement with the IRS to correct failures on the part of a Borrower to comply with the federal tax rules related to tax-exempt debt issuances.

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Part X. **Continuing Education.**

The Authority and each of the Borrowers will continue to consult regularly with the Authority's bond counsel regarding the federal tax rules applicable to its outstanding debt and changes to the federal tax law, and the Authority will regularly update these Policies and Procedures to reflect any such changes.

Each Borrower shall ensure that those who are tasked with bond compliance responsibilities shall undertake a reasonable amount of continuing education on an annual basis, including but not limited to, consulting with outside professionals, participation in conferences, reading informational updates from governmental resources and professional organizations, and participation in DAC webinars.

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Exhibit A to Annual Post-Issuance Tax Compliance Procedures

Capital Trust Authority Conduit Borrowers

Borrower

Name: _____

Address: _____

Primary Compliance Officer

Name _____

Title _____

Contact Info _____

Bond Issue

Title: _____

Dated Date: _____

Questionnaire: _____

Exhibit B to Annual Post-Issuance Tax Compliance Procedures

Forms of Questionnaires

Exhibit B-1 – Exempt Facility

Exhibit B-2 – Qualified 501(c)(3)

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CTA

Annual Post-Issuance Tax Compliance Certification of Exempt Facility Bonds

Issue Date:_____

The Borrower certifies and acknowledges responsibility for monitoring post-issuance tax compliance with respect to the above-described bond issue, including, but not limited to:

- Qualified use of bond proceeds and bond-financed property, including the requirement that, in the event proceeds of the bond issue and/or the property financed thereby are used in a manner so as to require that a "remedial action" be taken, the Borrower complies with applicable federal tax law
- Arbitrage yield restriction and rebate requirements, including limiting the investment of bond proceeds, complying with applicable "temporary period" exceptions, monitoring amounts pledged directly or indirectly to secure the payment of debt service, and compliance with any applicable requirements to rebate excess investment earnings to the Federal Government.

In connection with the above, the Borrower hereby represents and certifies:

(1) The Borrower is, and has been since the Issue Date, in compliance with the terms and conditions described in the Tax Certificate (or other similarly-named document) executed by the Borrower in connection with the issuance of the bonds	**Yes**	**No**
(2) The Borrower is aware of its ability to take a "remedial action" pursuant to the Federal Income Tax Regulations arising out of the Borrower's failure to use the proceeds of the bonds and/or the property financed thereby in a qualifying manner	**Yes**	**No**
(3) The Borrower will consult with the Capital Trust Authority in the event that an action is taken (or is not taken) that results in the need to take a "remedial action" pursuant to the Federal Income Tax Regulations	**Yes**	**No**
(4) The Borrower is in compliance with the applicable arbitrage yield restriction and rebate requirements with respect to the bonds, including:	**Yes**	**No**
(a) Investment of sale proceeds of the bonds at the applicable permissible yield		
(b) Monitoring and investment of "replacement proceeds" of the bonds at the applicable permissible yield		
(c) Payment of any yield reduction payments owed with respect to the		

bonds to the Internal Revenue Service		
(d) Compliance with the arbitrage rebate requirement, including the payment to the Internal Revenue Service of any arbitrage rebated owed with respect to the bonds		
(5) The Borrower maintains, and will continue to maintain, sufficient records to establish compliance with applicable federal tax law, including, but not limited to, the matters described in Questions [1] through [4] above	**Yes**	**No**

This Annual Post-Issuance Tax Compliance Certification of the Borrower is utilized by the Capital Trust Authority to assist the Authority in monitoring post-issuance tax compliance with respect to the above-referenced bonds. Nothing contained in this Annual Certification of the Borrower is intended to, or will, modify the Borrower's representations, certifications or warranties made under the Tax Certificate (or other similarly-named document) entered into by the Borrower in connection with the issuance of the bonds or otherwise modify or limit the Borrower's post-issuance tax compliance monitoring requirements.

Signature:_____
Name: _____
Title: _____
Date: _____

CTA

Annual Post-Issuance Tax Compliance Certification of the Borrower of Qualified 501(c)(3) Bonds

Date : _____

Name of Borrower:_____
Name of Bond Issue: _____
Issue Date:_____

The Borrower certifies and acknowledges responsibility for monitoring post-issuance tax compliance with respect to the above-described bond issue, including, but not limited to:

- Qualified use of bond proceeds and bond-financed property, including the requirement that, in the event proceeds of the bond issue and/or the property financed thereby are used in a manner so as to require that a "remedial action" be taken, the Borrower complies with applicable federal tax law
- Arbitrage yield restriction and rebate requirements, including limiting the investment of bond proceeds, complying with applicable "temporary period" exceptions, monitoring amounts pledged directly or indirectly to secure the payment of debt service, and compliance with any applicable requirements to rebate excess investment earnings to the Federal Government.

In connection with the above, the Borrower hereby represents and certifies:

(1) The Borrower is, and has been since the Issue Date, in compliance with the terms and conditions described in the Tax Certificate (or other similarly-named document) executed by the Borrower in connection with the issuance of the bonds	**Yes**	**No**
(2) The Borrower has owned, and will continue to own, all property financed with the bond proceeds	**Yes**	**No**
(3) The Borrower is aware of its ability to take a "remedial action" pursuant to the Federal Income Tax Regulations arising out of the Borrower's failure to use the proceeds of the bonds and/or the property financed thereby in a qualifying manner	**Yes**	**No**
(4) The Borrower will consult with the Capital Trust Authority in the event that an action is taken (or is not taken) that results in the need to take a "remedial action" pursuant to the Federal Income Tax Regulations	**Yes**	**No**
(5) The Borrower is in compliance with the applicable arbitrage yield restriction and rebate requirements with respect to the bonds, including:	**Yes**	**No**
(a) Investment of sale proceeds of the bonds at the applicable permissible yield		
(b) Monitoring and investment of "replacement proceeds" of the bonds at the applicable permissible yield		

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(c) Payment of any yield reduction payments owed with respect to the bonds to the Internal Revenue Service		
(d) Compliance with the arbitrage rebate requirement, including the payment to the Internal Revenue Service of any arbitrage rebated owed with respect to the bonds		
(6) The Borrower maintains, and will continue to maintain, sufficient records to establish compliance with applicable federal tax law, including, but not limited to, the matters described in Questions [1] through [4] above	**Yes**	**No**
(7) The Borrower has filed Schedule K to Form 990 with the IRS. Attach copy of Schedule K hereto.	**Yes**	**No**

This Annual Post-Issuance Tax Compliance Certification of the Borrower is utilized by the Capital Trust Authority to assist the Authority in monitoring post-issuance tax compliance with respect to the above-referenced bonds. Nothing contained in this Annual Certification of the Borrower is intended to, or will, modify the Borrower's representations, certifications or warranties made under the Tax Certificate (or other similarly-named document) entered into by the Borrower in connection with the issuance of the bonds or otherwise modify or limit the Borrower's post-issuance tax compliance monitoring requirements.

Signature : _____
Name: _____
Title: _____
Date : _____

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Revenue Procedure 2017-13

Internal Revenue Bulletin: 2017-6

February 6, 2017

Rev. Proc. 2017–13

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SECTION 1. PURPOSE

This revenue procedure provides safe harbor conditions under which a management contract does not result in private business use of property financed with governmental tax-exempt bonds under § 141(b) of the Internal Revenue Code or cause the modified private business use test for property financed with qualified 501(c)(3) bonds under § 145(a)(2)(B) to be met. This revenue procedure modifies, amplifies, and supersedes Rev. Proc. 2016–44, 2016–36 IRB 316, to address certain types of compensation, the timing of payment of compensation, the treatment of land, and methods of approval of rates. Sections 2.11 through 2.14 of this revenue procedure generally describe the modifications and amplifications made to Rev. Proc. 2016–44 by this revenue procedure.

SECTION 2. BACKGROUND

.01 Section 103(a) provides that, except as provided in § 103(b), gross income does not include interest on any State or local bond. Section 103(b)(1) provides that § 103(a) shall not apply to any private activity bond that is not a qualified bond (within the meaning of § 141). Section 141(a) provides that the term "private activity bond" means any bond issued as part of an issue (1) that meets the private business use test and private security or payment test, or (2) that meets the private loan financing test.

.02 Section 141(b)(1) provides generally that an issue meets the private business use test if more than 10 percent of the proceeds of the issue are to be used for any private business use. Section 141(b)(6) defines "private business use" as use (directly or indirectly) in a trade or business carried on by any person other than a governmental unit. For this purpose, any activity carried on by a person other than a natural person must be treated as a trade or business.

.03 Section 1.141–3(a)(1) of the Income Tax Regulations provides, in part, that the 10 percent private business use test of § 141(b)(1) is met if more than 10 percent of the proceeds of an issue is used in a trade or business of a nongovernmental person. For this purpose, the use of financed property is treated as the direct use of proceeds. Section 1.141–3(a)(2) provides that, in determining whether an issue meets the private business use test, it is necessary to look at both indirect and direct use of proceeds. Proceeds are treated as used in the trade or business of a nongovernmental person if a nongovernmental person, as a result of a single transaction or a series of related transactions, uses property acquired with the proceeds of an issue.

.04 Section 1.141–3(b)(1) provides that both actual and beneficial use by a nongovernmental person may be treated as private business use. In most cases, the private business use test is met only if a nongovernmental person has special legal entitlements to use the financed property under an arrangement with the issuer. In general, a

nongovernmental person is treated as a private business user as a result of ownership; actual or beneficial use of property pursuant to a lease, a management contract, or an incentive payment contract; or certain other arrangements such as a take or pay or other output-type contract.

.05 Section 1.141–3(b)(3) provides generally that the lease of financed property to a nongovernmental person is private business use of that property. For this purpose, any arrangement that is properly characterized as a lease for federal income tax purposes is treated as a lease. Section 1.141–3(b)(3) further provides that, in determining whether a management contract is properly characterized as a lease, it is necessary to consider all the facts and circumstances, including the following factors: (1) the degree of control over the property that is exercised by a nongovernmental person; and (2) whether a nongovernmental person bears the risk of loss of the financed property.

.06 Section 1.141–3(b)(4)(i) provides generally that a management contract with respect to financed property may result in private business use of that property, based on all of the facts and circumstances. A management contract with respect to financed property generally results in private business use of that property if the contract provides for compensation for services rendered with compensation based, in whole or in part, on a share of net profits from the operations of the facility. Section 1.141–3(b)(4)(iv) provides generally that a management contract with respect to financed property results in private business use of that property if the service provider is treated as the lessee or owner of financed property for federal income tax purposes.

.07 Section 1.141–3(b)(4)(ii) defines "management contract" as a management, service, or incentive payment contract between a governmental person and a service provider under which the service provider provides services involving all, a portion, or any function, of a facility. For example, a contract for the provision of management services for an entire hospital, a contract for management services for a specific department of a hospital, and an incentive payment contract for physician services to patients of a hospital are each treated as a management contract.

.08 Section 1.141–3(b)(4)(iii) provides that the following arrangements generally are not treated as management contracts that give rise to private business use: (A) contracts for services that are solely incidental to the primary governmental function or functions of a financed facility (for example, contracts for janitorial, office equipment repair, hospital billing, or similar services); (B) the mere granting of admitting privileges by a hospital to a doctor, even if those privileges are conditioned on the provision of de minimis services if those privileges are available to all qualified physicians in the area, consistent with the size and nature of the hospital's facilities; (C) a contract to provide for the operation of a facility or system of facilities that consists primarily of public utility property, if the only compensation is the reimbursement of actual and direct expenses of the service provider and reasonable administrative overhead expenses of the service provider; and (D) a contract to provide for services, if the only compensation is the reimbursement of the service provider for actual and direct expenses paid by the service provider to unrelated parties.

.09 Section 141(e) provides, in part, that the term "qualified bond" includes a qualified 501(c)(3) bond if certain requirements stated therein are met. Section 145(a) provides generally that "qualified 501(c)(3) bond" means any private activity bond issued as part of an issue if (1) all property that is to be provided by the net proceeds of the issue is to be owned by a 501(c)(3) organization or a governmental unit, and (2) such bond would not be a private activity bond if (A) 501(c)(3) organizations were treated as governmental units with respect to their activities that do not constitute unrelated trades or businesses, determined by applying § 513(a), and (B) § 141(b)(1) and (2) were applied by substituting "5 percent" for "10 percent" each place it appears and by substituting "net proceeds" for "proceeds" each place it appears. Section 1.145–2 provides that, with certain exceptions and modifications, §§ 1.141–0 through 1.141–15 apply to § 145(a).

.10 Rev. Proc. 2016–44 provides safe harbor conditions under which a management contract does not result in private business use of property financed with governmental tax-exempt bonds under § 141(b) or cause the modified private business use test for property financed with qualified 501(c)(3) bonds under § 145(a)(2)(B) to be met. Rev. Proc. 2016–44 modified and superseded Rev. Proc. 97–13, 1997–1 C.B. 632; Rev. Proc. 2001–39, 2001–2 C.B. 38; and section 3.02 of Notice 2014–67, 2014–46 I.R.B. 822.

.11 Section 5.02 of Rev. Proc. 2016–44 sets forth general financial requirements for management compensation arrangements eligible for the safe harbor. Sections 5.02(2) and 5.02(3) of Rev. Proc. 2016–44 provide that the contract must neither provide to the service provider a share of net profits nor impose on the service provider the burden of bearing any share of net losses from the operation of the managed property. Before the publication of Rev. Proc. 2016–44, previously applicable revenue procedures expressly treated certain types of compensation, including capitation fees, periodic fixed fees, and per-unit fees (as defined therein), as not providing a share of net profits. Questions have arisen regarding whether these common types of compensation continue to be treated in a similar manner under Rev. Proc. 2016–44. Related questions have arisen about whether a service provider's payment of expenses of the operation of the managed property without reimbursement from the qualified user (as

defined in section 4.04 of Rev. Proc. 2016–44) affects the treatment of these types of compensation. To provide continuity with the previous safe harbors, this revenue procedure clarifies that these types of compensation and certain incentive compensation will not be treated as providing a share of net profits or requiring the service provider to bear a share of net losses.

.12 Sections 5.02(2) and 5.02(3) of Rev. Proc. 2016–44 also provide that the timing of payment of compensation cannot be contingent upon net profits or net losses from the operation of the managed property. Questions have arisen about the effect of these restrictions on the timing of payment of compensation. This revenue procedure clarifies that compensation subject to an annual payment requirement and reasonable consequences for late payment (such as interest charges or late payment fees) will not be treated as contingent upon net profits or net losses if the contract includes a requirement that the qualified user will pay the deferred compensation within five years of the original due date of the payment.

.13 Section 5.03 of Rev. Proc. 2016–44 provides that the term of the contract, including all renewal options (as defined in § 1.141–1(b)), must be no greater than the lesser of 30 years or 80 percent of the weighted average reasonably expected economic life of the managed property. For this purpose, under Rev. Proc. 2016–44, economic life is determined in the same manner as under § 147(b), but without regard to § 147(b)(3)(B)(ii), as of the beginning of the term of contract. Section 147(b)(3)(B)(i) provides that generally land is not taken into account, but § 147(b)(3)(B)(ii) provides that if 25 percent or more of the net proceeds of any issue is to be used to finance the acquisition of land, such land shall be taken into account and treated as having an economic life of 30 years. Questions have arisen about excluding land when the cost of the land accounts for a significant portion of the managed property. This revenue procedure provides that economic life is determined in the same manner as under § 147(b) as of the beginning of the term of the contract. Thus, land will be treated as having an economic life of 30 years if 25 percent or more of the net proceeds of the issue that finances the managed property is to be used to finance the costs of such land.

.14 Section 5.04 of Rev. Proc. 2016–44 provides that the qualified user must exercise a significant degree of control over the use of the managed property. Section 5.04 of Rev. Proc. 2016–44 further provides that this requirement is met if the contract requires the qualified user to approve, among other things, the rates charged for use of the managed property. Section 5.04 of Rev. Proc. 2016–44 also provides that a qualified user may show approval of rates charged for use of the managed property by either expressly approving such rates (or the methodology for setting such rates) or by including in the contract a requirement that service provider charge rates that are reasonable and customary as specifically determined by an independent third party. Questions have arisen about the requirement to approve the rates in various circumstances in which it may not be feasible to approve each specific rate charged, such as for a physician's professional services at a § 501(c)(3) hospital or hotel room rates at a governmentally-owned hotel. This revenue procedure clarifies that a qualified user may satisfy the approval of rates requirement by approving a reasonable general description of the method used to set the rates or by requiring that the service provider charge rates that are reasonable and customary as specifically determined by, or negotiated with, an independent third party.

SECTION 3. SCOPE

This revenue procedure applies to a management contract (as defined in section 4.03 of this revenue procedure) involving managed property (as defined in section 4.04 of this revenue procedure) financed with the proceeds of an issue of governmental bonds (as defined in § 1.141–1(b)) or qualified 501(c)(3) bonds (as defined in § 145).

SECTION 4. DEFINITIONS

For purposes of this revenue procedure, the following definitions apply:

.01 *Capitation fee* means a fixed periodic amount for each person for whom the service provider or the qualified user assumes the responsibility to provide all needed services for a specified period so long as the quantity and type of services actually provided to such persons varies substantially. For example, a capitation fee includes a fixed dollar amount payable per month to a medical service provider for each member of a health maintenance organization plan for whom the provider agrees to provide all needed medical services for a specified period. A fixed periodic amount may include an automatic increase according to a specified, objective, external standard that is not linked to the output or efficiency of the managed property. For example, the Consumer Price Index and similar external indices that track increases in prices in an area or increases in revenues or costs in an industry are objective, external standards. A capitation fee may include a variable component of up to 20 percent of the total capitation fee designed to protect the service provider against risk such as risk of catastrophic loss.

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.02 *Eligible expense reimbursement arrangement* means a management contract under which the only compensation consists of reimbursements of actual and direct expenses paid by the service provider to unrelated parties and reasonable related administrative overhead expenses of the service provider.

.03 *Management contract* means a management, service, or incentive payment contract between a qualified user and a service provider under which the service provider provides services for a managed property. A management contract does not include a contract or portion of a contract for the provision of services before a managed property is placed in service (for example, pre-operating services for construction design or construction management).

.04 *Managed property* means the portion of a project (as defined in § 1.141–6(a)(3)) with respect to which a service provider provides services.

.05 *Periodic fixed fee* means a stated dollar amount for services rendered for a specified period of time. For example, a stated dollar amount per month is a periodic fixed fee. The stated dollar amount may automatically increase according to a specified, objective external standard that is not linked to the output or efficiency of the managed property. For example, the Consumer Price Index and similar external indices that track increases in prices in an area or increases in revenues or costs in an industry are objective external standards. Capitation fees and per-unit fees are not periodic fixed fees.

.06 *Per-unit fee* means a fee based on a unit of service provided specified in the contract or otherwise specifically determined by an independent third party, such as the administrator of the Medicare program, or the qualified user. For example, a stated dollar amount for each specified medical procedure performed, car parked, or passenger mile is a per-unit fee. Separate billing arrangements between physicians and hospitals are treated as per-unit fee arrangements. A fee that is a stated dollar amount specified in the contract does not fail to be a per-unit fee as a result of a provision under which the fee may automatically increase according to a specified, objective, external standard that is not linked to the output or efficiency of the managed property. For example, the Consumer Price Index and similar external indices that track increases in prices in an area or increases in revenues or costs in an industry are objective, external standards.

.07 *Qualified user* means, for projects (as defined in § 1.141–6(a)(3)) financed with governmental bonds, any governmental person (as defined in § 1.141–1(b)) or, for projects financed with qualified 501(c)(3) bonds, any governmental person or any 501(c)(3) organization with respect to its activities which do not constitute an unrelated trade or business, determined by applying § 513(a).

.08 *Service provider* means any person other than a qualified user that provides services to, or for the benefit of, a qualified user under a management contract.

.09 *Unrelated parties* means persons other than either: (1) a related party (as defined in § 1.150–1(b)) to the service provider or (2) a service provider's employee.

SECTION 5. SAFE HARBOR CONDITIONS UNDER WHICH MANAGEMENT CONTRACTS DO NOT RESULT IN PRIVATE BUSINESS USE

.01 *In general*. If a management contract meets all of the applicable conditions of sections 5.02 through section 5.07 of this revenue procedure, or is an eligible expense reimbursement arrangement, the management contract does not result in private business use under § 141(b) or 145(a)(2)(B). Further, under section 5.08 of this revenue procedure, use functionally related and subordinate to a management contract that meets these conditions does not result in private business use.

.02 *General financial requirements*.

(1) *In general*. The payments to the service provider under the contract must be reasonable compensation for services rendered during the term of the contract. Compensation includes payments to reimburse actual and direct expenses paid by the service provider and related administrative overhead expenses of the service provider.

(2) *No net profits arrangements*. The contract must not provide to the service provider a share of net profits from the operation of the managed property. Compensation to the service provider will not be treated as providing a share of net profits if no element of the compensation takes into account, or is contingent upon, either the managed property's net profits or both the managed property's revenues and expenses (other than any reimbursements of direct and actual expenses paid by the service provider to unrelated third parties) for any fiscal period. For this purpose, the elements of the compensation are the eligibility for, the amount of, and the timing of the payment of the compensation. Incentive compensation will not be treated as providing a share of net profits if the eligibility for the incentive compensation is determined by the service provider's performance in meeting one or more standards that

measure quality of services, performance, or productivity, and the amount and the timing of the payment of the compensation meet the requirements of this section 5.02(2).

(3) *No bearing of net losses of the managed property*.

(a) The contract must not, in substance, impose upon the service provider the burden of bearing any share of net losses from the operation of the managed property. An arrangement will not be treated as requiring the service provider to bear a share of net losses if:

- (i) The determination of the amount of the service provider's compensation and the amount of any expenses to be paid by the service provider (and not reimbursed), separately and collectively, do not take into account either the managed property's net losses or both the managed property's revenues and expenses for any fiscal period; and
- (ii) The timing of the payment of compensation is not contingent upon the managed property's net losses.

(b) For example, a service provider whose compensation is reduced by a stated dollar amount (or one of multiple stated dollar amounts) for failure to keep the managed property's expenses below a specified target (or one of multiple specified targets) will not be treated as bearing a share of net losses as a result of this reduction.

(4) *Treatment of certain types of compensation*. Without regard to whether the service provider pays expenses with respect to the operation of the managed property without reimbursement by the qualified user, compensation for services will not be treated as providing a share of net profits or requiring the service provider to bear a share of net losses under sections 5.02(2) and 5.02(3) of this revenue procedure if the compensation for services is: (a) based solely on a capitation fee, a periodic fixed fee, or a per-unit fee; (b) incentive compensation described in the last sentence of section 5.02(2) of this revenue procedure; or (c) a combination of these types of compensation.

(5) *Treatment of timing of payment of compensation*. Deferral due to insufficient net cash flows from the operation of the managed property of the payment of compensation that otherwise meets the requirements of sections 5.02(2) and 5.02(3) of this revenue procedure will not cause the deferred compensation to be treated as contingent upon net profits or net losses under sections 5.02(2) and 5.02(3) of this revenue procedure if the contract includes requirements that:

- (a) The compensation is payable at least annually;
- (b) The qualified user is subject to reasonable consequences for late payment, such as reasonable interest charges or late payment fees; and
- (c) The qualified user will pay such deferred compensation (with interest or late payment fees) no later than the end of five years after the original due date of the payment.

.03 *Term of the contract and revisions*. The term of the contract, including all renewal options (as defined in § 1.141–1(b)), must not be greater than the lesser of 30 years or 80 percent of the weighted average reasonably expected economic life of the managed property. For this purpose, economic life is determined in the same manner as under § 147(b) as of the beginning of the term of the contract. A contract that is materially modified with respect to any matters relevant to this section 5 is retested under this section 5 as a new contract as of the date of the material modification.

.04 *Control over use of the managed property*. The qualified user must exercise a significant degree of control over the use of the managed property. This control requirement is met if the contract requires the qualified user to approve the annual budget of the managed property, capital expenditures with respect to the managed property, each disposition of property that is part of the managed property, rates charged for the use of the managed property, and the general nature and type of use of the managed property (for example, the type of services). For this purpose, for example, a qualified user may show approval of capital expenditures for a managed property by approving an annual budget for capital expenditures described by functional purpose and specific maximum amounts; and a qualified user may show approval of dispositions of property that is part of the managed property in a similar manner. Further, for example, a qualified user may show approval of rates charged for use of the managed property by expressly approving such rates or a general description of the methodology for setting such rates (such as a method that establishes hotel room rates using specified revenue goals based on comparable properties), or by requiring that the service provider charge rates that are reasonable and customary as specifically determined by, or negotiated with, an independent third party (such as a medical insurance company).

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.05 *Risk of loss of the managed property*. The qualified user must bear the risk of loss upon damage or destruction of the managed property (for example, due to force majeure). A qualified user does not fail to meet this risk of loss requirement as a result of insuring against risk of loss through a third party or imposing upon the service provider a penalty for failure to operate the managed property in accordance with the standards set forth in the management contract.

.06 *No inconsistent tax position*. The service provider must agree that it is not entitled to and will not take any tax position that is inconsistent with being a service provider to the qualified user with respect to the managed property. For example, the service provider must agree not to claim any depreciation or amortization deduction, investment tax credit, or deduction for any payment as rent with respect to the managed property.

.07 *No circumstances substantially limiting exercise of rights*.

(1) *In general*. The service provider must not have any role or relationship with the qualified user that, in effect, substantially limits the qualified user's ability to exercise its rights under the contract, based on all the facts and circumstances.

(2) *Safe harbor*. A service provider will not be treated as having a role or relationship prohibited under section 5.07(1) of this revenue procedure if:

- (a) No more than 20 percent of the voting power of the governing body of the qualified user is vested in the directors, officers, shareholders, partners, members, and employees of the service provider, in the aggregate;
- (b) The governing body of the qualified user does not include the chief executive officer of the service provider or the chairperson (or equivalent executive) of the service provider's governing body; and
- (c) The chief executive officer of the service provider is not the chief executive officer of the qualified user or any of the qualified user's related parties (as defined in § 1.150–1(b)).

(3) For purposes of section 5.07(2) of this revenue procedure, the phrase "service provider" includes the service provider's related parties (as defined in § 1.150–1(b)) and the phrase "chief executive officer" includes a person with equivalent management responsibilities.

.08 *Functionally related and subordinate use*. A service provider's use of a project (as defined in § 1.141–6(a)(3)) that is functionally related and subordinate to performance of its services under a management contract for managed property that meets the conditions of this section 5 does not result in private business use of that project. For example, use of storage areas to store equipment used to perform activities required under a management contract that meets the requirements of this section 5 does not result in private business use.

SECTION 6. EFFECT ON OTHER DOCUMENTS

Rev. Proc. 2016–44 is modified, amplified, and superseded.

SECTION 7. DATE OF APPLICABILITY

This revenue procedure applies to any management contract that is entered into on or after January 17, 2017, and an issuer may apply this revenue procedure to any management contract that was entered into before January 17, 2017. In addition, an issuer may apply the safe harbors in Rev. Proc. 97–13, as modified by Rev. Proc. 2001–39 and amplified by Notice 2014–67, to a management contract that is entered into before August 18, 2017 and that is not materially modified or extended on or after August 18, 2017 (other than pursuant to a renewal option as defined in § 1.141–1(b)).

SECTION 8. DRAFTING INFORMATION

The principal authors of this revenue procedure are Johanna Som de Cerff and David White of the Office of Associate Chief Counsel (Financial Institutions & Products). For further information regarding this revenue procedure, contact David White on (202) 317-6980 (not a toll-free number).

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EXHIBIT B

DESCRIPTION OF THE PROJECT

The Project consists primarily of the acquisition of senior living facilities at the locations identified below:

Name of Obligated Group Member	Name of Facility	Address of Facility	Description of Facility
ALPHA LIFESTYLE PARTNERS FLORIDA, INC. ALP VENICE, LLC	Liana of Venice	2321 East Venice Avenue, Venice, Sarasota County, Florida 34292	54 units of capacity, primarily consisting of assisted living with memory care services, totaling 37,831 square feet, located on 2.88 acres of land
ALPHA LIFESTYLE PARTNERS FLORIDA, INC. ALP NAPLES, LLC	The Fairways at Naples	3053 Airport-Pulling Road North, Naples, Collier County, Florida 34105	54 units of capacity, primarily consisting of assisted living with memory care services, totaling 36,946 square feet, located on 8.90 acres of land
ALP COVINGTON, LLC	Sage Lake Senior Living of Covington	1444 Andrew Drive, Covington, St. Tammany Parish, Louisiana 70433	82 units of capacity, primarily consisting of assisted living and memory care, totaling 68,478 square feet, located on 6.64 acres of land

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EXHIBIT C TO SECOND SUPPLEMENT DATED OCTOBER 7, 2025

TO PRELIMINARY LIMITED OFFERING MEMORANDUM DATED AUGUST 29, 2025
(AS PREVIOUSLY SUPPLEMENTED ON SEPTEMBER 12, 2025)

Redlined Form of the Master Indenture
(*marked against the form attached as Appendix C-3 to the original PLOM*)

(*see attached*)

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MASTER TRUST INDENTURE

among

ALPHA LIFESTYLE PARTNERS, INC.,
as Obligated Group Representative and as a Member of the Obligated Group

and

ALPHA LIFESTYLE PARTNERS FLORIDA, INC.,
ALP COVINGTON, LLC,
ALP NAPLES, LLC,
ALP VENICE, LLC,
each as a Member of the Obligated Group
and

UMB BANK, N.A.,
as Master Trustee

Dated as of _____ 1, 2025

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MASTER TRUST INDENTURE

THIS MASTER TRUST INDENTURE (this "Master Trust Indenture"), dated as of _____ 1, 2025, among ALPHA LIFESTYLE PARTNERS, INC., a Delaware nonstock corporation (the "Obligated Group Representative"), ALPHA LIFESTYLE PARTNERS, INC., a Delaware nonstock corporation, ALPHA LIFESTYLE PARTNERS FLORIDA, INC., a Florida not-for-profit corporation, ALP COVINGTON, LLC, a Delaware limited liability company, ALP NAPLES, LLC, a Delaware limited liability company, ALP VENICE, LLC, a Delaware limited liability company (each, a "Member of the Obligated Group" or "Member"), and UMB BANK, N.A., a national banking association organized and existing under the laws of the United States of America, being qualified to accept and administer the trusts hereby created as master trustee (the "Master Trustee").

W I T N E S S E T H:

WHEREAS, the Obligated Group Representative, the Obligated Group (as herein defined) and the Master Trustee enter into this Master Trust Indenture for the purpose of providing for the issuance from time to time of obligations hereunder to provide for the financing of the acquisition, improvement and equipping of certain senior living facilities, or for other lawful and proper corporate purposes; and

WHEREAS, all acts and things necessary to constitute this Master Trust Indenture a valid indenture and agreement according to its terms, have been done and performed and the Obligated Group Representative and the Obligated Group have duly authorized the execution and delivery of this Master Trust Indenture; and

WHEREAS, the Master Trustee agrees to accept and administer the trusts created hereby in accordance with the terms and conditions hereof;

NOW, THEREFORE, in consideration of the premises, of the acceptance by the Master Trustee of the trusts hereby created, and of the giving of consideration for and acceptance of the Obligations (as hereinafter defined) issued hereunder by the Holders (as hereinafter defined) thereof, and for the purposes of fixing and declaring the terms and conditions upon which such Obligations are to be issued, authenticated, delivered and accepted by all persons who shall from time to time be or become Holders thereof, the Obligated Group Representative and the Obligated Group covenant and agree with the Master Trustee for the equal and proportionate benefit of the respective Holders from time to time of Obligations issued hereunder, as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes of this Master Trust Indenture and of any supplemental indenture issued hereafter and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, equally applicable to both singular and plural forms of any of the terms herein defined.

"Accountant" means any firm of independent certified public accountants selected by the Obligated Group Representative.

"Actual Knowledge" means the personal knowledge of any key employee, senior staff member, management personnel, executive, officer or director of the applicable entity.

"Additional Indebtedness" means any Indebtedness (including all Obligations) incurred subsequent to the execution and delivery of this Master Trust Indenture.

"Administrative Costs Fund" means the fund by that name established pursuant to Section 4.04 hereof.

"Administrative Fees" means the items of expense to be paid or reimbursed by the Obligated Group related to this Master Trust Indenture and any Related Bond Indenture, which items of expense shall include, but not be limited to, fees and charges for the authorization, sale, issuance, execution, delivery, transportation and safekeeping of Obligations and Related Bonds and the investment of the proceeds of such Obligations and Related Bonds, including the annual fees and other fees and expenses payable to or incurred by a Related Bond Issuer under or in connection with Related Bonds, fees and charges of the Master Trustee and any Related Bond Trustee, fees and charges of any Dissemination Agent, legal fees and charges, professional consultant fees, costs of credit ratings, debt obligation underwriting and debt obligation issuance fees, and other costs, charges and fees in connection with the foregoing or as otherwise identified in a written direction of the Obligated Group Representative delivered to the Master Trustee pursuant to Section 4.04 hereof; provided however, that Administrative Fees shall not include the payment of any amount arising under indemnification provisions of any contract with any Person pursuant to which such costs, charges or fees are payable.

"Affiliate" means a corporation, limited liability company, partnership, joint venture, association, business trust or similar entity organized under the laws of the United States of America or any state thereof, directly controlled by or under common control with the Obligated Group Representative or any other Affiliate. For purposes of this definition, "control" means the power to direct the management and policies of a Person through the ownership of at least a majority of its voting securities, or the right to designate or elect at least a majority of the members of its board of directors by contract or otherwise.

"Annual Budget" means a written projection of all Operating Expenses for the forthcoming Fiscal Year prepared by the Obligated Group Representative pursuant to Section 3.08 hereof that includes monthly and total annual Operating Expenses broken down by Property.

"Asset Management Agreement" means the Asset Management Agreement by and between the Asset Manager and the Obligated Group Representative providing for asset management services and related services for each Property, which Asset Management Agreement sets forth market consistent "arm's length" terms for scope of services and fees.

"Asset Management Fees" means all fees payable by the Obligated Group pursuant to the Asset Management Agreement and the NFP Management Agreement, including (i) Senior Management Fees and (ii) Subordinated Management Fees.

"Asset Manager" means Trinity SL Asset Manager LLC, a Texas limited liability company.

"Authorized Representative" means with respect to the Obligated Group Representative, the chair (or president) of its Governing Body, its chief executive officer or its chief financial officer, its secretary or any other person designated as an Authorized Representative of the Obligated Group Representative by a Certificate of the Obligated Group Representative, signed by the chair (or president) of its Governing Body or its chief executive officer, its chief financial officer, or its secretary and filed with the Master Trustee.

"Balloon Indebtedness" means Funded Indebtedness, 25% or more of the original principal amount of which matures during any consecutive 12 month period, if such maturing principal amount is not required to be amortized below such percentage by mandatory redemption or prepayment prior to such 12 month period. Balloon Indebtedness does not include Indebtedness which otherwise would be classified hereunder as Put Indebtedness.

"Bankruptcy Code" means the federal Bankruptcy Code, Title 11 of the United States Code.

"Bond Counsel" means a firm of attorneys, selected or approved by a Related Bond Issuer, whose experience in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized.

"Bond Proceeds" means the proceeds of the sale of Related Bonds.

"Bond Year" means each twelve (12) month period ending January 1; provided, however, that the first Bond Year commences on the Master Trust Indenture Effective Date and ends on January 1, 2026.

"Book Value" means, when used in connection with Property, Plant and Equipment or other Property of the Obligated Group, the value of such property, net of accumulated depreciation, as it is carried on the books of such Person and in conformity with Generally Accepted Accounting Principles, and when used in connection with Property, Plant and Equipment or other Property of the Obligated Group, means the aggregate of the values so determined with respect to such property of the Obligated Group determined in such a way that no portion of such value of property of the Obligated Group is included more than once.

"Business Day" means any day other than a Saturday, a Sunday, or a day on which banking institutions or trust companies in West Des Moines, Iowa, the State of Florida, the State of New York, or such other jurisdiction as may be applicable to a Related Bond Trustee, are authorized or obligated by law, regulation or executive order to be closed.

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"Capitalized Lease" means any lease of real or personal property which, in accordance with generally accepted accounting principles, is required to be capitalized on the balance sheet of the lessee.

"Capitalized Rentals" means, as of the date of determination, the amount at which the aggregate Net Rentals due and to become due under a Capitalized Lease under which a Person is a lessee would be reflected as a liability on a balance sheet of such Person.

"Cash and Investments**"** means the sum of cash, cash equivalents, marketable securities of the Members of the Obligated Group, board-designated assets, and amounts, if any, on deposit in the Operating Account, the Operating Reserve Fund, and the Surplus Fund, but at all times excluding (a) any debt service reserve fund or capitalized interest fund for the benefit of Related Bonds and other trustee-held funds (including, to the extent applicable, amounts held in escrow or otherwise set aside pursuant to the requirements of the Residency Agreements) other than those specific funds listed above in this definition, (b) funds restricted by the donor to a use that would not permit the use of such funds to pay expenses or debt service on Indebtedness of the Obligated Group, (c) any funds being held in escrow as security for contested taxes, assessments, governmental charges or liens, and (d) any funds pledged or otherwise subject to a security interest for debt other than the Obligations, as shown on the most recent audited or unaudited financial statements of the Obligated Group.

"Certificate," "Statement," "Request," "Consent" or "Order" of the Obligated Group Representative or of the Master Trustee means, respectively, a written certificate, statement, request, consent or order signed in the name of the Obligated Group Representative by its respective Authorized Representative or in the name of the Master Trustee by its Responsible Officer. Any such instrument and supporting opinions or certificates, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or certificate and the two or more so combined shall be read and construed as a single instrument. If and to the extent required by Section 1.04 hereof, each such instrument shall include the statements provided for in Section 1.04.

"Closing Date" means, with respect to any Related Bonds, the date on which such Related Bonds are issued.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collateral Assignment of Licenses, Contracts and Agreements" means the Collateral Assignment of Licenses, Contracts and Agreements, dated as of [_____], 2025, executed by the Members of the Obligated Group in favor of the Master Trustee, as amended from time to time.

"Collateral Assignment of Property Management Agreement" means a Collateral Assignment of Property Management Agreement, dated as of [_____], 2025, executed by each Member in favor of the Master Trustee, as amended from time to time.

"Commitment Indebtedness" means the obligation of any Member to repay amounts disbursed pursuant to a commitment from a financial institution to refinance or purchase when due, when tendered or when required to be purchased (a) other Indebtedness of such Member, or

(b) Indebtedness of a Person who is not a Member, which Indebtedness is guaranteed by a Guaranty of such Member or secured by or payable from amounts paid on Indebtedness of such Member, in either case which Indebtedness or Guaranty of such Member was incurred in accordance with the provisions of Section 5.01 hereof, and the obligation of any Member to pay interest payable on amounts disbursed for such purposes, plus any fees, costs or expenses payable to such financial institution for, under or in connection with such commitment, in the event of disbursement pursuant to such commitment or in connection with enforcement thereof, including without limitation any penalties payable in the event of such enforcement.

"Continuing Disclosure Agreement" means each Continuing Disclosure Agreement by and between the Obligated Group Representative and the Dissemination Agent appointed thereto dated the date of issuance and delivery of the Related Bonds, as originally executed and as each may be amended from time to time in accordance with the terms thereof.

"Controlling Party" means (a) so long as any Senior Lien Obligations are Outstanding, the Holders of at least a majority of the aggregate Principal Amount of the Senior Lien Obligations then Outstanding; ~~and~~ (b) while any Junior Lien Obligations are Outstanding and no Senior Lien Obligations are Outstanding, the Holders of at least a majority of the aggregate Principal Amount of the Junior Lien Obligations; and (c) while any Third Lien Obligations are Outstanding and no Senior Lien Obligations or Junior Lien Obligations are Outstanding, the Holders of at least a majority of the aggregate Principal Amount of Third Lien Obligations then Outstanding.

"Credit Facility" means any Liquidity Facility, letter of credit, bond insurance policy, standby purchase agreement, guaranty, line of credit, surety bond or similar credit or liquidity facility securing any Indebtedness of any Member of the Obligated Group.

"Days Cash on Hand" means, as of the date of calculation, the amount determined by dividing (a) the amount of Cash and Investments on such date, by (b) the quotient obtained by dividing Operating Expenses for the 12-month period ending on the date of calculation, by 365.

"Debt Service Coverage Ratio" means for any period for which a calculation is made, the ratio determined by dividing the Income Available for Debt Service for such period by the Debt Service Requirement for such period.

"Debt Service Requirement" means, with respect to any such calculated period of time, the aggregate of the payments required to be made during such period in respect of principal (whether at maturity, as a result of mandatory sinking fund redemption, mandatory prepayment or otherwise) and interest on outstanding Funded Indebtedness of each Person or a group of Persons with respect to which such requirements are calculated; provided that: (a) the amount of such payments for a future period shall be calculated in accordance with the assumptions contained in Section 3.12 hereof; (b) interest shall be excluded from the determination of the Debt Service Requirement to the extent that Funded Interest is available to pay such interest; (c) payments on any Senior Lien Obligations as a result of transfers pursuant to Section 4.05(e) hereof and payments on any Junior Lien Obligations as a result of transfers pursuant to Section 4.09(f) shall be excluded from the determination of the Debt Service Requirement; (d) principal of Indebtedness shall be excluded from the determination of the Debt Service Requirement to the

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extent that amounts are on deposit in an irrevocable escrow and such amounts (including, where appropriate, the earnings or other increment to accrue thereon) are required to be applied to pay such principal and such amounts so required to be applied are sufficient to pay such principal; (e) principal of Indebtedness due in its final year shall be excluded from the determination of Debt Service Requirement to the extent moneys were initially deposited and are on deposit as of the date of calculation in a debt service reserve fund which required that moneys on deposit in the debt service reserve fund be used to pay a principal payment in the final year of such Indebtedness; (f) any annual fees payable in respect of a Credit Facility (other than annual fees to be paid from proceeds of a bond issue escrowed for such purpose) shall be included in the determination of the Debt Service Requirement; (g) so long as any Senior Lien Obligations and Junior Lien Obligations are Outstanding, all payments due on ~~Junior~~Third Lien Obligations shall be excluded from the determination of the Debt Service Requirement; and (h) all payments due on any Affiliate Subordinated Indebtedness shall be excluded from the determination of the Debt Service Requirement.

"Default" means any event that is, or after notice or passage of time or both would be, an Event of Default.

"Defeasance Obligations" means any investment securities authorized under applicable state law and the Obligated Group Documents to be deposited in escrow for the defeasance of any Obligations.

"Deposit Account Control Agreement" means each Account Control Agreement, dated [_____], 2025 among the Master Trustee, the applicable Member of the Obligated Group and a Depository Bank.

"Depository Bank" shall the meaning set forth in Section 3.06(a).

"Designated Corporate Trust Office" means for the Master Trustee originally appointed hereunder, 7155 Lake Drive, Suite 120, West Des Moines, Iowa 50266.

"Dissemination Agent" means the entity appointed as dissemination agent under the Continuing Disclosure Agreement.

"EMMA" means and refers to the Electronic Municipal Market Access system of the Municipal Rulemaking Securities Board, or any successor which comports with the applicable rules of the United States Securities and Exchange Commission.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means any trade or business (whether or not incorporated) that, together with the Obligated Group, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

"ERISA Event" means (a) any "reportable event", as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30-day notice period is waived); (b) the failure with respect to any Plan to satisfy the "minimum

funding standard" (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived; (c) the filing pursuant to Section 412(c) of the Code or Section 303(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by the Obligated Group or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by the Obligated Group or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by the Obligated Group or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal of the Obligated Group or any of its ERISA Affiliates from any Plan or Multiemployer Plan; or (g) the receipt by the Obligated Group or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Obligated Group or any ERISA Affiliate of any notice, concerning the imposition upon the Obligated Group or any of its ERISA Affiliates of withdrawal liability under Section 4201 of ERISA or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA.

"Event of Default" means any of the events specified in Section 6.01 hereof.

"Excess Sale Proceeds" means proceeds derived from the sale of a Property pursuant to Section 3.05 hereof that exceed the amount necessary to (a) fully defease or redeem the Obligations or such portions thereof related to such Property, and (b) pay any professional services fees (including but not limited to legal fees, broker fees, and servicing fees) incurred by the Obligated Group Representative in connection with the sale of such Property.

"Fair Market Value," when used in connection with Property, means the fair market value of such Property as determined by either:

(1) an appraisal of the portion of such Property which is real property made within two years of the date of determination by a "Member of the Appraisal Institute" and by an appraisal of the portion of such Property which is not real property made within two years of the date of determination by any expert qualified in relation to the subject matter, provided that any such appraisal shall be performed by a Person which (a) is in fact independent, (b) does not have any direct financial interest or any material indirect financial interest in the Obligated Group or any Affiliate thereof, and (c) is not connected with the Obligated Group or any Affiliate thereof as an officer, employee, promoter, trustee, partner, director or Person performing similar functions, adjusted for the period, not in excess of two years, from the date of the last such appraisal for changes in the implicit price deflator for the gross national product as reported by the United States Department of Commerce or its successor agency, or if such index is no longer published, such other index certified to be comparable and appropriate in an Officer's Certificate delivered to the Master Trustee;

or

(2) a bona fide offer for the purchase of such Property made on an arm's-length basis within six months of the date of determination, as established by an Officer's Certificate from the Asset Manager.

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"Fiscal Quarter" means that period adopted by the Obligated Group Representative as the quarterly accounting period for the Obligated Group. The Fiscal Quarters are initially the three-month periods commencing on January 1, April 1, July 1, and October 1 in each year.

"Fiscal Year" means that period adopted by the Obligated Group Representative as the annual accounting period for the Obligated Group in accordance with Generally Accepted Accounting Principles. The Fiscal Year is initially the twelve-month period commencing on January 1 and ending on December 31 in each year.

"Fitch" means Fitch Ratings, a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the Obligated Group Representative.

"Funded Indebtedness" means, with respect to any Person, (a) all Indebtedness of such Person for money borrowed, credit extended, incurred or assumed which is not Short Term; (b) all Short Term Indebtedness incurred by the Person which is of the type described in Section 5.01(c) hereof; (c) the Person's Guaranties of Indebtedness which are not Short Term (but including Guaranties of Short Term Indebtedness described in Section 5.01(c) hereof); and (d) Capitalized Rentals under Capitalized Leases entered into by the Person; provided, however, that Indebtedness that could be described by more than one of the foregoing categories shall not in any case be considered more than once for the purpose of any calculation made pursuant to this Master Trust Indenture.

"Funded Interest" means amounts irrevocably deposited in an escrow or other trust account (other than a debt service reserve fund with respect to any Related Bonds) to pay interest on Funded Indebtedness or Related Bonds and interest earned on such amounts to the extent such interest earned is required to be applied to pay interest on Funded Indebtedness or Related Bonds.

"Generally Accepted Accounting Principles" means those principles of accounting set forth in pronouncements of the Financial Accounting Standards Board and its predecessors or pronouncements of the American Institute of Certified Public Accountants or those principles of accounting that have other substantial authoritative support and are applicable in the circumstances as of the date of application, as such principles are supplemented and amended.

"Governing Body" means, when used with respect to the Obligated Group or the Obligated Group Representative, as applicable, its, or if such entity is a single member limited liability company, its sole member's, board of directors, board of trustees, or other board or group of individuals in which all of the powers of such Person are vested except for those powers reserved to the corporate membership thereof by the articles of incorporation, bylaws or other organizational documents of such Person.

"Government Obligations" means direct obligations of the United States of America or obligations which as to full and timely payment of principal and interest constitute full faith and

credit obligations of the United States of America (excluding therefrom unit investment trusts and money market funds comprised of such securities).

"Governmental Issuer" means any municipal corporation, political subdivision, state, territory or possession of the United States, or any constituted authority or agency or instrumentality of any of the foregoing empowered to issue obligations on behalf thereof, which obligations constitute Related Bonds.

"Gross Revenues" means all receipts, revenues, rentals, income, insurance proceeds (including, without limitation, all Medicaid, Medicare and other third party payments, but not including insurance proceeds not related to operating services at the Properties), condemnation awards, entrance fees, and other moneys received by or on behalf of any Member of the Obligated Group, including (without limitation) revenues derived from (a) the ownership, operation or leasing of any portion of the Properties (including, without limitation, fees payable by or on behalf of residents of the Properties) and all rights to receive the same (other than the right to receive Medicaid and Medicare payments), whether in the form of accounts, general intangibles or other rights, and the proceeds of such accounts, general intangibles and other rights, whether now existing or hereafter coming into existence or whether now owned or held or hereafter acquired, (b) proceeds derived from (i) accounts receivable, (ii) securities and other investments, (iii) inventory and other tangible and intangible property, and (iv) contract rights and other rights and assets now or hereafter owned by the Obligated Group; (c) rentals received from the lease of space; (d) investment earnings on and other income from amounts held in the Revenue Fund and the Operating Account; (e) proceeds of any borrowing in accordance with Section 5.01(h) hereof; and (f) investment earnings on and other income from amounts held in any debt service reserve fund established under a Related Bond Indenture; provided, however, that Gross Revenues shall not include (1) income derived from Defeasance Obligations that are irrevocably deposited in escrow to pay the principal of or interest on any defeased Obligations; (2) any gains or losses resulting from the sale, exchange or other disposition of property not in the ordinary course of business, or the reappraisal, reevaluation or write-up of assets, or any other extraordinary gains or losses; (3) proceeds of any borrowing (other than a borrowing pursuant to Section 5.01(h) hereof); (4) income derived from investment earnings on amounts held in the Rebate Fund under a Related Bond Indenture; (5) Excess Sale Proceeds; and (6) gifts, grants, bequests, donations and contributions to a Member of the Obligated Group heretofore or hereafter made, and the income and gains derived therefrom, which are specifically restricted by the donor or grantor to a particular purpose which is inconsistent with their use of payments required under this Master Trust Indenture; provided, further, for the avoidance of doubt, Gross Revenues shall not include the revenues of any subsidiaries of the Obligated Group Representative which are not Members of the Obligated Group.

"Guaranty" means all obligations of a Person guaranteeing, or in effect guaranteeing, any Indebtedness, dividend or other obligation of any Primary Obligor in any manner, whether directly or indirectly, including but not limited to obligations incurred through an agreement, contingent or otherwise, by such Person: (a) to purchase such Indebtedness or obligation or any Property constituting security therefor; (b) to advance or supply funds: (i) for the purchase or payment of such Indebtedness or obligation, or (ii) to maintain working capital or other balance sheet condition; (c) to purchase securities or other Property or services primarily for the purpose of assuring the owner of such Indebtedness or obligation of the ability of the Primary Obligor to

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make payment of the Indebtedness or obligation; or (d) otherwise to assure the owner of such Indebtedness or obligation against loss in respect thereof.

"Holder" means the registered owner of any Obligation in registered form or the bearer of any Obligation in coupon form that is not registered or is registered to bearer.

"Income Available for Debt Service" means Gross Revenues less Operating Expenses for the applicable period; provided, that no determination thereof shall take into account:

(a) any revenue or expense of the Obligated Group or any gain or loss resulting from either the early extinguishment or refinancing of Indebtedness or the sale, exchange or other disposition of capital assets not made in the ordinary course of business;

(b) the net proceeds of insurance (other than business interruption insurance);

(c) adjustments to the value of assets or liabilities resulting from changes in Generally Accepted Accounting Principles;

(d) nonrecurring items which do not involve the receipt, expenditure or transfer of assets; or

(e) proceeds of Indebtedness, other than Indebtedness incurred pursuant to Section 5.01(h).

"Indebtedness" means, for any Person, (a) all Guaranties by such Person, (b) all liabilities (exclusive of reserves such as those established for deferred taxes or litigation) recorded or required to be recorded as such on the audited financial statements of such Person in accordance with generally accepted accounting principles, and (c) all obligations for the payment of money incurred or assumed by such Person (i) due and payable in all events, or (ii) if incurred or assumed primarily to assure the repayment of money borrowed or credit extended, due and payable upon the occurrence of a condition precedent or upon the performance of work, possession of Property as lessee, rendering of services by others or otherwise; provided that Indebtedness shall not include Indebtedness of one Member to another Member, any Guaranty by any Member of Indebtedness of any other Member, the joint and several liability of any Member on Indebtedness issued by another Member, Interest Rate Agreements (but any amounts then due but unpaid thereunder shall constitute Indebtedness), any Subordinated Indebtedness owed to an Affiliate of such Person evidencing an obligation to repay funds advanced or to pay fees owed to such Affiliate or any obligation to repay moneys deposited by residents or others with a Member as security or any rights of residents of senior living facilities or similar facilities to endowment or similar funds deposited by or on behalf of such residents.

"Independent Consultant" means a professional consulting, accounting, investment banking or commercial banking firm or individual selected by the Obligated Group Representative having the skill and experience necessary to render the particular report required and having a favorable reputation for such skill and experience, which firm or individual does not control any Member of the Obligated Group or any Affiliate thereof or the Asset Manager

and is not controlled by or under common control with any Member of the Obligated Group or an Affiliate thereof or the Asset Manager.

"Insurance and Condemnation Proceeds Fund" means the fund by that name established pursuant to Section 3.04(d) hereof.

"Insurance Consultant" means a person or firm who in the case of an individual is not an employee or officer of any Member and which, in the case of a firm, does not control any Member of the Obligated Group or any Affiliate thereof and is not controlled by or under common control with any Member of the Obligated Group or an Affiliate thereof, appointed by the Obligated Group Representative with the advice and consent of the Asset Manager, qualified to survey risks and to recommend insurance coverage for senior living facilities and services of the type involved, and having a favorable reputation for skill and experience in such surveys and such recommendations, and which may include a broker or agent with whom any Member or the Asset Manager transacts business.

"Interest Payment Date" means each January 1 and July 1, or such other dates as set forth in a Related Supplement; provided, the Principal Payment Date is the same for all Obligations.

"Interest Rate Agreement" means an interest rate exchange, hedge or similar agreement, expressly identified in an Officer's Certificate of the Obligated Group Representative delivered to the Master Trustee as being entered into in order to hedge the interest payable on all or a portion of any Indebtedness, which agreement may include, without limitation, an interest rate swap, a forward or futures contract or an option (e.g., a call, put, cap, floor or collar) and which agreement does not constitute an obligation to repay money borrowed, credit extended or the equivalent thereof. An Interest Rate Agreement shall not constitute Indebtedness hereunder unless and to the extent amounts due thereunder are unpaid.

"Investment Grade Rating" means a credit rating of at least "Baa3" assigned by Moody's, "BBB-" assigned by S&P, or "BBB-" assigned by Fitch, or the equivalent.

"Irrevocable Deposit" means the irrevocable deposit in trust with any trustee or escrow agent authorized to act in such capacity of cash in an amount or Government Obligations the principal of and interest on which will be in an amount sufficient to pay all or a portion of the principal of and/or premium, if any, and interest on, as the same shall become due, any Indebtedness which would otherwise be considered Outstanding. The trustee of such deposit may be the Master Trustee or any other trustee authorized to act in such capacity.

"Junior Lien Obligations" means any Obligations so designated pursuant to a Related Supplement.

"Junior Lien Obligations Fund" means the fund by that name established pursuant to Section 4.13 hereof.

"Lien" means any mortgage, deed of trust or pledge of, security interest in or encumbrance of any Property which secures any Indebtedness or any other obligation of an Obligated Group Member or which secures any obligation of any Person, other than an Obligated

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Group member, and excluding Liens applicable to Property in which the applicable Obligated Group has only a leasehold interest unless the liens secures Indebtedness.

"Liquidity Facility" means a written commitment to provide money to purchase or retire any Indebtedness if (a) on the date of delivery of such Liquidity Facility, the unsecured Funded Indebtedness or claims-paying ability of the provider of such Liquidity Facility or its parent holding company or other controlling entity is rated at least "A" by a least one of the Rating Agencies, and (b) as of any particular date of determination, no amount realized under such Liquidity Facility for the payment of the principal or the purchase or redemption price of such Indebtedness (exclusive of amounts realized for the payment of accrued interest on such Indebtedness) shall be required to be repaid by the obligor on such Funded Indebtedness for a period of at least one year.

"Liquidity Requirement" shall have the meaning set forth in Section 3.07(c).

"Management Agreements" means the management agreements by and between a Manager and a Member of the Obligated Group providing for management services and related services for any Property.

"Manager" means any Person that enters into a Management Agreement with a Member of the Obligated Group.

"Master Trust Indenture" means this instrument as originally executed and as it may from time to time be supplemented, modified or amended in accordance with the terms hereof.

"Master Trust Indenture Effective Date" means [_____], 2025.

"Master Trustee" means UMB Bank, N.A., a national banking association organized and existing under and by virtue of the laws of the United States of America and, subject to the limitations contained in Section 7.07 hereof, any other corporation or association which may be co-trustee with UMB Bank, N.A. and any successor or successors to said trustee or co-trustee in the trusts created hereunder.

"Maximum Annual Debt Service Requirement" means the largest total Debt Service Requirement for the current or any succeeding Fiscal Year.

"Member of the Obligated Group" or "Member" means Alpha Lifestyle Partners, Inc., a Delaware nonstock corporation, Alpha Lifestyle Partners Florida, Inc., a Florida not-for-profit corporation, ALP Covington, LLC, a Delaware limited liability company, ALP Naples, LLC, a Delaware limited liability company, ALP Venice, LLC, a Delaware limited liability company, and any other Person who has satisfied the requirements set forth in this Master Trust Indenture for becoming a Member of the Obligated Group and its successors until any such Person or a successor or transferee Person satisfies the requirements set forth in this Master Trust Indenture for ceasing to be a Member of the Obligated Group.

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating

agency, any other nationally recognized securities rating agency designated by the Obligated Group Representative.

"Mortgaged Property" means any Property subject to a Mortgage.

"Mortgages" or "Mortgage" means any mortgage, including leasehold deed of trust, deed of trust, security agreement, assignment of rents and leases, and/or financing statement encumbering any Property for the benefit of Holders executed and delivered in accordance with Sections 3.03 or 3.05 hereof.

"Multiemployer Plan" means a Plan maintained pursuant to a collective bargaining agreement or any other arrangement to which the Obligated Group or any ERISA Affiliate is, or in the immediately preceding six years was, a party to which more than one employer is obligated to make contributions.

"Net Rentals" means all fixed rents (including as such all payments which the lessee is obligated to make to the lessor on termination of the lease or surrender of the leased Property other than upon termination of the lease for a default thereunder) payable under a lease or sublease of real or personal Property excluding any amounts required to be paid by the lessee (whether or not designated as rents or additional rents) on account of maintenance, repairs, insurance, taxes and similar charges. Net Rentals for any future period under any so called "percentage lease" shall be computed on the basis of the amount reasonably estimated to be payable thereunder for such period, but in any event not less than the amount paid or payable thereunder during the immediately preceding period of the same duration as such future period; provided that the amount estimated to be payable under any such percentage lease shall in all cases recognize any change in the applicable percentage called for by the terms of such lease.

"NFP Management Agreement" means the Not-For-Profit Management Agreement by and between the NFP Manager and each Member of the Obligated Group (other than the Obligated Group Representative) providing for certain services for each Member and its Property.

"NFP Manager" means Alpha Lifestyle Partners, Inc., a Delaware nonprofit corporation, and its successors and assigns.

"Non-Recourse Indebtedness" means any Indebtedness the liability for which is effectively limited to Property, Plant and Equipment (other than the Property) and the income therefrom, with no recourse, directly or indirectly, to any other Property of any Member.

"Obligated Group" means, collectively, each Member of the Obligated Group.

"Obligated Group Documents" means this Master Trust Indenture, as supplemented and amended from time to time (including by a Related Supplement), each Obligation, each Deposit Account Control Agreement, each Continuing Disclosure Agreement, each Mortgage, each Collateral Assignment of Property Management Agreement, the Collateral Assignment of Licenses, Contracts and Agreements, or other related security instrument securing the Obligated Group's obligations under this Master Trust Indenture, the Asset Management Agreement, the NFP Management Agreement, the Management Agreements, each Related Loan Agreement,

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each Related Bond Indenture and any tax certificate executed in connection with a series of Related Bonds, or other contract or agreement to which the Obligated Group Representative is a party.

"Obligated Group Representative" means Alpha Lifestyle Partners, Inc., a Delaware nonprofit corporation, and its successors and assigns, designated and authorized to act on behalf of the Obligated Group as provided for in this Master Trust Indenture.

"Obligation" means any obligation of the Obligated Group issued hereunder, which shall be in the form set forth in a Related Supplement, including, but not limited to, bonds, notes, obligations, debentures, reimbursement agreements, loan agreements or leases. Reference to a Series of Obligations or to Obligations of a Series means Obligations or Series of Obligations issued pursuant to a single Related Supplement, unless otherwise specified in the Related Supplement.

"Officer's Certificate" means a Certificate signed by the Authorized Representative of the Obligated Group Representative or the Asset Manager, as applicable.

"Operating Account" means each deposit account maintained by the Members of the Obligated Group for the purpose of paying Operating Expenses for a particular Project, which such deposit accounts shall each be subject to a Deposit Account Control Agreement.

"Operating Expenses" means all current expenses of the Obligated Group, paid or accrued, as determined in accordance with Generally Accepted Accounting Principles, including without limitation (i) salaries and administrative expenses, (ii) the cost of supplies and materials, (iii) insurance premiums, (iv) professional services, including property management fees and Senior Management Fees, but excluding any Subordinated Management Fees, and (v) any rental payments made for operating leases; provided however, there shall be excluded from Operating Expenses (a) any non-cash expenses resulting from depreciation, amortization or the write down of existing assets and (b) expenses paid from grants or donations from state, federal, local sources, or from any Person, provided that such grants or donations were not included as part of Gross Revenue.

For purposes of calculating Days Cash on Hand, "Operating Expenses" includes (a) (i) interest payments required to be made on Senior Lien Obligations during the applicable period and (ii) Subordinated Management Fees both accrued and paid during the applicable period and excludes (b) (i) principal payments on Indebtedness, (ii) interest payments required to be made on Junior Lien Obligations during the applicable period and (iii) any Operating Expenses funded from monies held in the Operating Reserve Fund, the Repair and Replacement Fund, and the Surplus Fund.

For purpose of calculating Income Available for Debt Service, "Operating Expenses" does not include (a) interest payments made on Indebtedness during the applicable period or (b) deposits to or expenses paid from any Rebate Fund established under a Related Bond Indenture, or any operational reserves, including the Operating Reserve Fund, the Repair and Replacement Fund, the Subordinated Management Fees Fund and the Surplus Fund.

"Operating Reserve Fund" means the fund by that name established pursuant to Section 4.06 hereof.

"Operating Reserve Required Balance" means the operating reserve amount, if any, necessary for compliance with the Liquidity Requirement, or such larger amount as may be requested by the Asset Manager, in order to permit the Borrower to meet its budgetary and covenant calculations, which amount shall be certified by the Obligated Group Representative to the Master Trustee and shall be set forth in the Annual Budget.

"Operations and Maintenance Fund" means the fund by that name established pursuant to Section 3.06 hereof.

"Opinion of Bond Counsel" means a written opinion signed by Bond Counsel.

"Opinion of Counsel" means a written opinion signed by an attorney or firm of attorneys who may be counsel for the Obligated Group or the Obligated Group Representative, as applicable.

"Outstanding," when used with reference to Indebtedness or Obligations, means, as of any date of determination, all Indebtedness or Obligations theretofore issued or incurred and not paid and discharged other than (a) Obligations theretofore cancelled by the Master Trustee or delivered to the Master Trustee for cancellation, (b) Obligations in lieu of which other Obligations have been authenticated and delivered or have been paid pursuant to the provisions of a Related Supplement regarding mutilated, destroyed, lost or stolen Obligations unless proof satisfactory to the Master Trustee has been received that any such Obligation is held by a protected purchaser, (c) any Obligation held by the Obligated Group, and (d) Indebtedness deemed paid and no longer outstanding pursuant to the terms thereof; provided, however, that if two or more obligations which constitute Indebtedness represent the same underlying obligation (as, for example, when an Obligation secures an issue of Related Bonds and another Obligation secures repayment obligations to a bank under a letter of credit which secures such Related Bonds) for purposes of the various financial covenants contained herein, but only for such purposes, only one of such Obligations shall be deemed Outstanding and the Obligation so deemed to be Outstanding shall be that Obligation which secures the greater repayment obligation to be included in the calculation of such covenants.

"PBGC" means the Pension Benefit Guaranty Corporation, or any successor thereto.

"Permitted Investments" shall mean, unless otherwise provided in a Related Supplement, any of the following:

(a) negotiable instruments or securities represented by instruments in bearer or registered or in book-entry form which evidence (i) obligations fully guaranteed by the United States of America; (ii) obligations of any agency of the United States of America; (iii) time deposits in, or bankers acceptances issued by, any depositary institution or trust company incorporated under the laws of the United States of America or any state thereof and subject to supervision and examination by Federal or state banking or depositary institution authorities; provided, however, that at the time of investment or contractual commitment to invest therein, the certificates of deposit or short-term deposits, if any, or

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long-term unsecured debt obligations (other than such obligation whose rating is based on collateral or on the credit of a Person other than such institution or trust company) of such depositary institution or trust company shall have a credit rating from Moody's or S&P of at least "P-1" and "A-1," respectively, in the case of the certificates of deposit or short-term deposits, or a rating not lower than one of the two highest investment categories granted by Moody's or by S&P in the case of long term unsecured debt obligations; (iv) certificates of deposit having, at the time of investment or contractual commitment to invest therein, a rating from Moody's or S&P of at least "P-1" and "A-1," respectively; or (v) investments in money market funds (including those owned or managed by the Master Trustee) rated in the highest investment category or otherwise approved in writing by Moody's or S&P;

(b) demand deposits and cash escrows in any depositary institution or trust company (including those owned or managed by the Master Trustee) referred to in (a)(iii) above;

(c) commercial paper (having original or remaining maturities of no more than thirty (30) days) having, at the time of investment or contractual commitment to invest therein, a credit rating from Moody's or S&P of at least "P-1" and "A-1," respectively;

(d) repurchase agreements involving any of the Permitted Investments described in clauses (a)(i) and (a)(iv) of this definition so long as the other party to the repurchase agreement has at the time of investment therein, a rating from Moody's or S&P of at least "P-1" and "A-1," respectively;

(e) investments in the form of guaranteed investment contracts, funding agreements with primary dealers, or repurchase agreements shall contain a provision for the unwinding of such investment within three (3) business days if the long term or short term debt rating of the bank, primary dealer or other financial institution or its guarantor, as the case may be, falls below "A-" by S&P or Fitch or below "Aa" by Moody's, or such entity defaults on the payment of any of its obligations to or on behalf of the Obligated Group, unless such investment is collateralized with obligations of the U.S. Government in an amount equal to at least 102% of the face amount of such investments or such rating is reinstated on or prior to such unwind date;

(f) U.S. dollar denominated deposit accounts that are fully and continuously insured by the Federal Deposit Insurance Corporation; and

(g) any other investment permitted by such Related Supplement and which satisfies any Rating Agency conditions, if applicable.

"Permitted Liens" shall mean and include:

(a) Liens arising out of judgments or awards fully covered by insurance or with respect to which an appeal or proceeding for review is being prosecuted and a bond or cash reserves have been provided;

(b) Any Lien (i) described in the final title policy which summarized certain liens existing on the Master Trust Indenture Effective Date or (ii) described in the final title policy which summarizes certain liens existing as of the date of the acquisition of any Properties acquired after the Master Trust Indenture Effective Date; provided that no such Lien (or the amount of Indebtedness secured thereby) may be increased, extended, renewed or modified to apply to any Property of the Obligated Group not subject to such Lien on such date, unless (1) such Lien as so extended, renewed or modified otherwise qualifies as a Permitted Lien or (2) the maturity date of the Indebtedness secured by such Lien is not extended and either the total principal and interest requirements or the maximum annual principal and interest requirements (calculated in a manner consistent with the calculation of the Debt Service Requirement) on such Indebtedness is not increased as a result of the refinancing of such Indebtedness;

(c) Any Lien in favor of the Master Trustee, the enforcement of which is governed by this Master Trust Indenture;

(d) Liens, deposits or pledges incurred or created in accordance with the Annual Budget and in the ordinary course of business in connection with or to secure the performance of or under leases of real estate, bids or contracts (other than a contract for the payment of money), deposits by the Obligated Group to secure public or statutory obligations, or to participate in local, state or federal programs desirable for the conduct of the business of the Obligated Group, or to secure, or in lieu of, surety, stay or appeal bonds;

(e) Liens for taxes, assessments or governmental charges which are not yet due or which are being contested and the amount of such contested taxes, assessments or governmental charges have been reserved by the applicable Member during the period of such contest;

(f) Any Liens incidental to the conduct of the Obligated Group's business or the Property (other than borrowed money) that would not reasonably be expected to have a material adverse effect on the interests of the Holder of Obligations;

(g) Mechanics', materialmen's, workers', repairmen's, employees', warehousemen's, carriers' or other like Liens arising in the ordinary course of business securing obligations incurred in connection with the Property which are not yet due, or which are fully bonded and which are being contested;

(h) Such minor defects, irregularities, encumbrances, easements, rights of way and clouds on title existing on the date such Property is initially acquired by the Obligated Group, or as normally exist with respect to properties similar in character and location to the affected Property and as do not materially impair the use of such Property for the purpose for which it was acquired as certified in writing by an Authorized Representative of the Obligated Group or to which the Controlling Party consents (which consent shall be deemed to be given if the Obligated Group notifies the holders of the

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Related Bonds that it intends to take such action and the Controlling Party does not object within thirty (30) days of such notice);

(i) any Lien on Property acquired by a Member which Lien secures Indebtedness issued, incurred or assumed by any Member, in connection with and to effect such acquisition or existing Indebtedness assumed as part of such acquisition which will remain outstanding after such acquisition which Lien encumbers Property other than the Mortgaged Property, if in any such case the aggregate principal amount of such Indebtedness does not exceed 100% of the Fair Market Value of such Property subject to such Lien as determined in good faith by the Governing Body of the Member;

(j) any Lien existing for not more than fourteen (14) days after the Obligated Group Representative shall have received notice thereof; and

(k) Liens securing Indebtedness permitted to be incurred pursuant to Section 5.01 hereof.

"Person" means an individual, corporation, limited liability company, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

"Plan" means an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code or Section 302 of ERISA as to which the Obligated Group or any ERISA Affiliate may have any liability.

"Pledged Assets" means all Residency Agreements (including, without limitation, all rights to payment thereunder), all Gross Revenues, all Mortgaged Property, each fund or account (other than the Administrative Costs Fund and any other fund or account created and excluded pursuant to a Related Supplement executed after the date hereof) established under this Master Trust Indenture, all financial assets (as defined in Article 8 of the Florida Uniform Commercial Code), instruments, money and other property credited to or on deposit in any such fund or account, and the proceeds thereof.

"Primary Obligor" means the Person who is primarily obligated on an obligation which is guaranteed by another Person.

"Principal Amount" means, with respect to an Obligation, the principal amount of such Obligation.

"Principal Payment Date" means each January 1, or such other date as set forth in a Related Supplement; provided, the Principal Payment Date is the same for all Obligations.

"Project Documents" means the Management Agreements, the Asset Management Agreements, and any other agreement or contract entered into by the Obligated Group with respect to the use, occupancy, maintenance, construction, renovation or operation of a Property but excluding Residency Agreements and agreements relating to the Property with an annual payment of less than $50,000.

"Projected Debt Service Coverage Ratio" means, for any future period, the projected Debt Service Coverage Ratio; provided, however, that for purposes of the issuance of Indebtedness, the Obligated Group Representative, based on projections of an Independent Consultant and confirmed by the Asset Manager through a Certificate to the Trustee, may include all expected Gross Revenues from the issuance of such Indebtedness including at the time of issuance and any and all moneys held in the funds or accounts of this Master Trust Indenture, except moneys held in any account excluded from the pledge of this Master Trust Indenture pursuant to a Related Supplement, in such calculation.

"Projected Rate" means the projected yield at par of an obligation as set forth in the report of an Independent Consultant. Such report shall state that in determining the Projected Rate such Independent Consultant reviewed the yield evaluations at par of not less than three obligations (or such lesser number as the Independent Consultant shall deem appropriate, but in no event less than one) selected by such Independent Consultant, the interest on which is entitled to the exemption from federal income tax afforded by Section 103(a) of the Code or any successor thereto (or, if it is not expected that it will be reasonably possible to issue such tax-exempt obligations, or if the interest on the Indebtedness for which the Projected Rate is being calculated is not entitled to such exemption, then obligations the interest on which is subject to federal income taxation) which obligations such Independent Consultant states in its report are reasonable comparators for utilizing in developing such Projected Rate and which obligations: (a) were outstanding on a date selected by the Independent Consultant which date so selected occurred during the 90 day period preceding the date of the calculation utilizing the Projected Rate in question, (b) to the extent practicable, are obligations of Persons engaged in operations similar to those of the Obligated Group and having a credit rating similar to that of the Obligated Group, (c) are not entitled to the benefits of any credit enhancement (including without limitation any letter or line of credit or insurance policy) if the obligation for which the Projected Rate is being determined is not benefited by any credit enhancement, and (d) to the extent practicable, have a remaining term and amortization schedule substantially the same as the obligation with respect to which such Projected Rate is being developed.

"Property" means the land, building and all fixtures and equipment comprising senior living and healthcare facilities owned by the Members of the Obligated Group, including any independent living units, assisted living units, memory care units, all necessary and useful furnishings, equipment and machinery, and such interests in land as may be necessary or suitable for the foregoing, including roads and rights of access, utilities and other necessary site preparation facilities, and subject to any Mortgage or other Permitted Lien; provided, however, any health center that includes skilled nursing beds shall not be permitted to be a Property.

"Property, Plant and Equipment" means all Property of the Obligated Group that is considered property, plant and equipment under Generally Accepted Accounting Principles (other than the Obligated Group's interests in the real property, fixtures, equipment or other property identified and excluded pursuant to a Related Supplement executed after the date hereof).

"Put Date" means (a) any date on which an owner of Put Indebtedness may elect to have such Put Indebtedness paid, purchased or redeemed by or on behalf of the underlying obligor prior to its Stated Maturity date, or (b) any date on which Put Indebtedness is required to be paid,

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purchased or redeemed from the owner by or on behalf of the underlying obligor (other than at the option of the owner) prior to its Stated Maturity date, other than pursuant to any mandatory sinking fund or other similar fund or other than by reason of acceleration upon the occurrence of an event of default.

"Put Indebtedness" means Indebtedness which is (a) payable or required to be purchased or redeemed by or on behalf of the underlying obligor, at the option of the owner thereof, prior to its Stated Maturity date, or (b) payable or required to be purchased or redeemed from the owner by or on behalf of the underlying obligor (other than at the option of the owner) prior to its Stated Maturity date, other than pursuant to any mandatory sinking fund or other similar fund or other than by reason of acceleration upon the occurrence of an event of default.

"Rate Covenant" has the meaning set forth in Section 3.07(b).

"Rating Agency" means, as of any particular date, any nationally recognized rating agency including Fitch, Moody's, or S&P, then rating Related Bonds at the request of the Obligated Group Representative.

"Rating Confirmation" shall mean, with respect to a proposed action, a written confirmation from each Rating Agency then rating this Master Trust Indenture or any Related Bonds of the Obligated Group to the effect that such action will not, in and of itself, cause such Rating Agency to lower, suspend or withdraw the rating then assigned by such Rating Agency to this Master Trust Indenture or any Related Bonds of the Obligated Group.

"Regularly Scheduled Payments" means payments scheduled for regular payment on specified dates or at specific intervals pursuant to an Interest Rate Agreement.

"Related Bond Indenture" means any indenture, trust agreement, bond resolution or other comparable instrument pursuant to which a series of Related Bonds are issued.

"Related Bond Issuer" means a Governmental Issuer of any Related Bonds and any financial institution or other Person serving as lender of proceeds of any Related Bonds pursuant to a Related Bond Indenture or Related Loan Agreement.

"Related Bond Trustee" means the bond trustee and its successors in the trusts created under any Related Bond Indenture, and if there is no such bond trustee, means the Related Bond Issuer.

"Related Bonds" means the revenue bonds or other obligations issued by any Related Bond Issuer pursuant to a Related Bond Indenture or obligations incurred by the Obligated Group pursuant to a Related Loan Agreement, the proceeds of which are loaned or otherwise made available to the Obligated Group in consideration of the execution, authentication and delivery of an Obligation or Obligations to or for the order of such Related Bond Issuer.

"Related Junior Lien Bonds" means any Related Bonds designated under the applicable Related Bond Indenture as "Junior Lien Bonds", being payable on a basis subordinate to any Related Senior Lien Bonds pursuant to such Related Bond Indenture.

"Related Loan Agreement" means any loan agreement, financing agreement or other comparable instrument pursuant to which the Obligated Group incurs Indebtedness.

"Related Senior Lien Bonds" means any Related Bonds designated under the applicable Related Bond Indenture as "Senior Lien Bonds", being payable on a first priority basis pursuant to such Related Bond Indenture.

"Related Supplement" means an indenture supplemental to, and authorized and executed pursuant to the terms of, this Master Trust Indenture.

"Related Third Lien Bonds" means any Related Bonds designated under the applicable Related Bond Indenture as "Third Lien Bonds", being payable on a basis subordinate to any Related Senior Lien Bonds and Related Junior Lien Bonds pursuant to such Related Bond Indenture.

"Repair and Replacement Fund" means the fund by that name established pursuant to Section 4.07 hereof.

"Repair and Replacement Requirement" means an amount certified by the Asset Manager to the Master Trustee, which the Asset Manager shall calculate annually for each account of the Repair and Replacement Fund as equal to $300 per unit in the related Property (as set forth on Appendix ~~F~~E attached hereto) with a cumulative CPI adjustment every three years, which amount shall be set forth in the Annual Budget.

"Required Payments" means payments required to be made by the Obligated Group under this Master Trust Indenture, any Related Supplement or any Obligation, for (i) any payment of principal or interest, whether regularly scheduled or due at maturity, by acceleration, upon proceeding for redemption or otherwise, and (ii) the purchase price of Related Bonds tendered or deemed tendered for purchase pursuant to the terms of a Related Bond Indenture.

"Residency Agreement" means each and every contract, including without limitation any "reservation agreement" or "residency agreement," as amended from time to time, between a Member of the Obligated Group and a resident of one of the Properties giving the resident certain rights of occupancy in such Property, including, without limitation, the independent living units, assisted living units, or specialty care (dementia) beds and providing for certain services to such resident.

"Responsible Officer" means, with respect to the Master Trustee, any person who at the time and from time to time may be designated, as a person responsible for administration of this Master Trust Indenture. The Master Trustee may designate in a certificate an alternate officer or alternates officers.

"Revenue Fund" means the fund by that name established pursuant to Section 4.03 hereof.

"S&P" means S&P Global Ratings, its successors and assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating

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agency, any other nationally recognized securities rating agency designated by the Obligated Group Representative.

"Senior Lien Obligations" means any Obligations so designated pursuant to a Related Supplement.

"Senior Lien Obligations Fund" means the fund by that name established pursuant to Section 4.05 hereof.

"Senior Management Fees" means an amount equal to (I) the number of assisted living units and memory care beds available at each Facility subject to this Master Trust Indenture, multiplied by (II) Three Hundred and 00/100 Dollars ($300.00), prorated for any partial year and prorated for any additional assisted living units and memory care beds that are added to the Facilities subject to this Master Trust Agreement per year for non-profit expenses payable to the NFP Manager pursuant to the terms of the NFP Management Agreement.

"Short Term" when used in connection with Indebtedness, means having an original Maturity less than or equal to one year and not renewable at the option of the debtor for a term greater than one year beyond the date of original issuance.

"Stable Occupancy" means in connection with the incurrence of Additional Indebtedness for the acquisition, construction or renovation of a senior living facility, the meaning given such term in the Supplement relating to such Additional Indebtedness, based on the sustainable capacity for which such facility was designed as stated in the Independent Consultant's report issued at such time.

"Stated Maturity" when used with respect to any Put Indebtedness or any installment of interest thereon means any date specified in the instrument evidencing such Indebtedness or such installment of interest as a fixed date on which the principal of such Indebtedness or any installment thereof or the fixed date on which such installment of interest is due and payable.

"Subordinated Management Fees" means the remaining fees owed by the Obligated Group to the Asset Manager and the NFP Manager pursuant to the terms of the Asset Management Agreement and the NFP Management Agreement, respectively, payable on a basis subordinate to the ~~Senior~~Junior Lien Obligations pursuant to this Master Trust Indenture.

"Subordinated Management Fees Fund" means the fund by that name established pursuant to Section 4.11 hereof.

"Subordinated Indebtedness" means any promissory note, guaranty, lease, contractual agreement to pay money or other obligation the terms of the documents providing for the issuance of which expressly provide that all payments on such indebtedness shall be subordinated to the timely payment of all Obligations, whether currently Outstanding or subsequently issued.

"Sufficiency Certificate" means, with respect to a proposed action requiring the delivery of the same to the Master Trustee, one of the following:

(a) Historical Pro Forma Test - a Certificate of an Authorized Representative of the Obligated Group Representative stating that, after giving effect to such action, the outstanding and proforma Indebtedness has a Debt Service Coverage looking backwards of at least ~~1.25x~~1.50x on the Senior Lien Obligations; and 1.30x on the aggregate of the Senior Lien Obligations and the Junior Lien Obligations; and 1.00x on all of the Obligations (or with the approval of the holders of all of the Third Lien Obligations);

(b) Pro Forma Projection Test – an Independent Consultant's result stating that, after giving effect to such action and commencing the first full year of operations of additionally financed properties, the Projected Debt Service Coverage Ratio (including outstanding and proforma Indebtedness), will not be less than ~~1.25x:1.00x~~1.50x with respect to all Senior Lien Obligations; ~~or~~and 1.30x on the aggregate of the Senior Lien Obligations and the Junior Lien Obligations; and 1.00x on all of the Obligations (or with the approval of the holders of all of the Third Lien Obligations); or

(c) the written consent of the Controlling Party; *provided*, *however*, for purposes of this clause (c) with respect to the incurrence of Additional Indebtedness pursuant to Section 5.01 hereof, (i) the incurrence of Additional Indebtedness in the form of Senior Lien Obligations shall require the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Senior Lien Obligations, ~~and~~ the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Junior Lien Obligations~~;~~, and the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Third Lien Obligations; (ii) the incurrence of Additional Indebtedness in the form of Junior Lien Obligations shall require the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Junior Lien Obligations~~.~~ and the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Third Lien Obligations; and (iii) the incurrence of Additional Indebtedness in the form of Third Lien Obligations shall require the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Third Lien Obligations.

For purposes of any Sufficiency Certificate delivered pursuant to clause (a) or clause (b) above, (i) any deposit of Bond Proceeds into the Revenue Fund on a Closing Date shall be treated as Gross Revenues received by the Master Trustee on such Closing Date, and (ii) a Sufficiency Certificate shall not be deemed defective solely because such Sufficiency Certificate shows a deficiency in the Projected Debt Service Coverage Ratio for the period between the Closing Date and the beginning of the immediately succeeding Fiscal Year.

"Surplus Fund" means the fund by that name established pursuant to Section 4.14 hereof.

"Tax-Exempt Bonds" means any Related Bonds interest on which is excluded from gross income for federal income tax purposes under Section 103 of the Code.

"Testing Date" shall have the meaning set forth in Section 3.07(c).

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"Third Lien Obligations" means any Obligations so designated pursuant to a Related Supplement.

"Third Lien Obligations Fund" means the fund by that name established pursuant to Section 4.13 hereof.

"Title Company" means the title insurance company selected by the Obligated Group Representative and identified in one or more Related Bond Indentures.

"Transfer" means any sale, gift, donation or any other act or occurrence the result of which is to dispossess (including through leasing, as a lessor) any Person of any asset or interest therein, including specifically in all cases, but without limitation, the forgiveness of any debt; provided, however, that the payment of bills or other accounts in the ordinary course of business shall be excluded from this definition.

Section 1.02. Interpretation.

(a) Any reference herein to any officer of the Obligated Group shall include those succeeding to his or her functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing his or her functions.

(b) Unless the context otherwise indicates, words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. The singular shall include the plural and vice versa.

(c) All accounting terms not specifically defined herein shall be construed in accordance with Generally Accepted Accounting Principles consistently applied, except as otherwise stated herein. If any change in accounting principles from those used in the preparation of the financial statements of the Obligated Group results from the promulgation of rules, regulations, pronouncements and opinions by or required by the Financial Accounting Standards Board, American Institute of Certified Public Accountants, or other authoritative bodies that determine Generally Accepted Accounting Principles (or successors thereto or agencies with similar functions) and such change results in a change in the accounting terms used in this Master Trust Indenture, the accounting terms used herein shall be modified to reflect such change in accounting principles so that the criteria for evaluating the Obligated Group's financial condition shall be the same after such change as if such change had not been made. Any such modification shall be described in an Officer's Certificate filed with the Master Trustee, which shall contain a certification to the effect that (i) such modifications are occasioned by such a change in accounting principles and (ii) such modifications will not have a materially adverse effect on the Obligation Holders or result in materially different criteria for evaluating the Obligated Group's financial condition.

(d) In making any and all calculations hereunder, the parties shall make such adjustments as are necessary and appropriate to avoid duplication of amounts.

(e) Headings of Articles and Sections herein and the table of contents hereto are solely for convenience of reference, and do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

Section 1.03. References to Master Trust Indenture. The terms "hereby," "hereof," "hereto," "herein," "hereunder," and any similar terms, used in this Master Trust Indenture refer to this Master Trust Indenture.

Section 1.04. Contents of Certificates and Opinions. Every Certificate or opinion provided for herein by the Obligated Group Representative with respect to compliance with any provision hereof shall include: (i) a statement that the Person making or giving such certificate or opinion has read such provision and the definitions herein relating thereto; (ii) a brief statement as to the nature and the scope of the examination or investigation upon which the certificate or opinion is based; (iii) a statement that, in the opinion of such Person, he or she has made, or caused to be made, such examination or investigation as is necessary to enable him or her to express an informed opinion with respect to the subject matter referred to in the instrument to which his or her signature is affixed; and (iv) a statement as to whether, in the opinion of such Person, such provision has been complied with.

Any such Certificate or opinion made or given by an officer of the Obligated Group Representative or the Master Trustee may be based, insofar as it relates to legal, accounting or senior housing management matters, upon a Certificate or opinion or representation of counsel, an Accountant or Independent Consultant unless such officer knows, or in the exercise of reasonable care should have known, that the Certificate, opinion or representation with respect to the matters upon which such Certificate or opinion may be based, as aforesaid, is manifestly erroneous. Any such Certificate, opinion or representation made or given by counsel, an Accountant, or an Independent Consultant, may be based, insofar as it relates to factual matters (with respect to which information is in the possession of the Obligated Group Representative), upon the Certificate or opinion of, or representation by an officer of the Obligated Group Representative unless such counsel, Accountant or Independent Consultant knows, or in the exercise or reasonable care should have known, that the Certificate, opinion of or representation by such officer, with respect to the factual matters upon which such Person's Certificate or opinion may be based, as aforesaid, is manifestly erroneous. The same officer of the Obligated Group Representative or the same counsel or Accountant or Independent Consultant, as the case may be, need not certify as to all the matters required to be certified under any provision hereof, but different officers, counsel, Accountants or Independent Consultants may certify as to different matters, respectively.

ARTICLE II

AUTHORIZATION, ISSUANCE AND FORM OF OBLIGATIONS

Section 2.01. Authorization of Obligations. The Obligated Group hereby authorizes to be issued from time to time Obligations or Series of Obligations, without limitation as to amount, except as provided herein or as may be limited by law, and subject to the terms, conditions and limitations established herein and in any Related Supplement.

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Section 2.02. Authorization for Issuance of Obligations in Series. From time to time when authorized by this Master Trust Indenture and subject to the terms, conditions and limitations established in this Master Trust Indenture, the Obligated Group Representative may authorize the issuance of an Obligation or a Series of Obligations by entering into a Related Supplement on behalf of the Obligated Group. The Obligation or the Obligations of any such Series may be issued and delivered to the Master Trustee for authentication upon compliance with the provisions hereof and of any Related Supplement.

Each Related Supplement authorizing the issuance of an Obligation or a Series of Obligations shall specify and establish the Principal Amount of such Obligation or Series of Obligations, the purposes for which such Obligation or Series of Obligations are being issued, the lien priority of the Obligation as a Senior Lien Obligation ~~or~~, Junior Lien Obligation or Third Lien Obligation, the form, title, designation, and the manner of numbering or denominations, if applicable, of such Obligations, the date or dates of maturity or other final expiration of the term of such Obligations, the date of issuance of such Obligations, and any other provisions deemed advisable or necessary by the Obligated Group Representative.

Section 2.03. Execution and Authentication of Obligations. (a) All Obligations shall be executed by the Authorized Representative as provided in the Related Supplement authorizing such Obligation. The signature of such officer may be mechanically or photographically reproduced on the Obligations. If any officer whose signature appears on any Obligation ceases to be such officer before delivery thereof, such signature shall remain valid and sufficient for all purposes as if such officer had remained in office until such delivery. Each Obligation shall be manually authenticated by the Master Trustee, without which authentication no Obligation shall be entitled to the benefits hereof.

(b) The form of Certificate of Authentication to be printed on each Obligation and manually executed by the Master Trustee shall be as follows:

[FORM OF MASTER TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

The undersigned Master Trustee hereby certifies that this Obligation No. ____ is one of the Obligations described in the within-mentioned Master Trust Indenture.

Dated: _____

UMB BANK, N.A.,
as Master Trustee

By: _____

Section 2.04. Conditions to the Issuance of Obligations. The issuance, authentication and delivery of any Obligation or Series of Obligations shall be subject to the following specific conditions:

(a) The Obligated Group Representative and the Master Trustee shall have entered into a Related Supplement providing for the terms and conditions of such Obligation and the

repayment thereof, including the designation of such Obligation as a Senior Lien Obligation ~~or~~, Junior Lien Obligation or Third Lien Obligation.

(b) The Master Trustee shall have received an Officer's Certificate to the effect that the Obligated Group shall be in full compliance with all warranties, covenants and agreements set forth in this Master Trust Indenture and in any Related Supplement.

(c) The Master Trustee shall have received an Officer's Certificate to the effect that neither an Event of Default nor any event which with the passage of time or the giving of notice or both would become an Event of Default has occurred and is then outstanding or would occur upon issuance of such Obligation or is continuing under this Master Trust Indenture or any Related Supplement.

(d) The Master Trustee shall have received an Officer's Certificate to the effect that all requirements and conditions precedent to the issuance of such Obligation set forth herein, including in Section 5.01 hereof, and in the Related Supplement shall have been complied with and satisfied.

(e) The Master Trustee shall have received an Opinion of Counsel to the effect that: (1) such Obligation and Related Supplement have been duly authorized, executed and delivered by the Obligated Group Representative and constitute valid and binding obligations of the Obligated Group, enforceable in accordance with their terms, (2) such Obligation is not subject to registration under the Securities Act of 1933, as, amended, and such Related Supplement is not subject to registration under the Trust Indenture Act of 1939, as amended (or that such registration, if required has occurred); and (3) that all requirements and conditions precedent to the issuance of such Obligation set forth herein, including in Section 5.01, and in the Related Supplement shall have been complied with and satisfied.

ARTICLE III

PARTICULAR COVENANTS OF THE OBLIGATED GROUP

Section 3.01. Payment of Required Payments. The Obligated Group covenants and agrees (a) to pay or cause to be paid promptly all Required Payments at the place, on the dates and in the manner provided herein, in any Related Supplement and in any Obligation, and (b) to faithfully observe and perform all of the conditions, covenants and requirements of this Master Trust Indenture, any Related Supplement and any Obligation. The Obligated Group acknowledges and agrees that the time of such payment and performance is of the essence of the obligations hereunder.

The obligation of the Obligated Group with respect to Required Payments shall not be abrogated, prejudiced or affected by:

(i) the granting of any extension, waiver or other concession given to the Obligated Group by the Master Trustee or any Holder or by any compromise, release, abandonment, variation, relinquishment or renewal of any of the rights of the Master Trustee or any Holder or anything done or omitted or neglected to be done by the Master Trustee or any Holder in exercise of the authority, power and discretion vested in them by

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this Master Trust Indenture, or by any other dealing or thing which, but for this provision, might operate to abrogate, prejudice or affect such obligation;

(ii) the liability of the Obligated Group under this Master Trust Indenture ceasing for any cause whatsoever; or

(iii) the Obligated Group becoming incompetent.

The obligation of the Obligated Group to make Required Payments is a continuing one and is to remain in effect until all Required Payments have been paid in full in accordance with Article IX hereof. All moneys from time to time received by the Obligated Group Representative or the Master Trustee to reduce liability on Obligations, whether from or on account of the Obligated Group or otherwise, shall be regarded as payments in gross without any right on the part of the Obligated Group to claim the benefit of any moneys so received until the whole of the amounts owing on Obligations has been paid or satisfied and so that in the event of the Obligated Group filing bankruptcy, the Obligated Group Representative or the Master Trustee shall be entitled to prove up the total indebtedness or other liability on Obligations Outstanding as to which the liability of the Obligated Group has become fixed.

Each such Obligation shall be a primary obligation and shall not be treated as ancillary to or collateral with any other obligation and shall be independent of any other security so that the covenants and agreements of the Obligated Group hereunder shall be enforceable without first having recourse to any such security or source of payment and without first taking any steps or proceedings against any other Person. The Obligated Group Representative and the Master Trustee are each empowered to enforce each covenant and agreement, as hereinbefore provided, and to enforce the making of Required Payments. The Obligated Group hereby authorizes the Obligated Group Representative and the Master Trustee to enforce or refrain from enforcing any covenant and agreement of the Obligated Group hereunder and to make any arrangement or compromise with the Obligated Group, as the Obligated Group Representative or the Master Trustee may deem appropriate, consistent with this Master Trust Indenture and any Related Supplement. The Obligated Group hereby waives in favor of the Obligated Group Representative and the Master Trustee all rights against the Obligated Group Representative and the Master Trustee, insofar as is necessary to give effect to any of the provisions of this Section.

The Master Trustee shall have no recourse against the Obligated Group Representative or the Obligated Group with respect to the failure by the Obligated Group Representative or the Obligated Group to make any Required Payment under this Master Trust Indenture and any Related Supplement except recourse to the Pledged Assets, including but not limited to the Gross Revenues and the amounts held in the funds and accounts created hereunder and under the Related Bond Indenture (except the Rebate Fund, if any, created thereunder and any other fund specified in a Related Supplement), or to such other security, including any Mortgage, as may from time to time be given for the payment of obligations arising out of this Master Trust Indenture, any Related Supplement or any other agreement securing the obligations of the Obligated Group with respect to the Related Bonds.

Section 3.02. Covenants as to Maintenance of Property, Plant and Equipment, Etc. The Obligated Group hereby covenants and agrees to:

(a) maintain its Property, Plant and Equipment substantially in accordance with all valid and applicable governmental laws, ordinances, approvals and regulations including, without limitation, such zoning, environmental, sanitary, pollution and safety ordinances and laws and such rules and regulations thereunder as may be binding upon it; provided, however, that the Obligated Group shall not be required to comply with any law, ordinance, approval or regulation as long as it shall in good faith contest the validity thereof;

(b) maintain and operate its Property, Plant and Equipment in good repair, working order and condition, and from time to time make or cause to be made all necessary and proper replacements, repairs, renewals and improvements so that the operations of the Obligated Group will not be materially impaired;

(c) pay and discharge all applicable taxes, assessments, governmental charges of any kind whatsoever, water rates, meter charges and other utility charges which may be or have been assessed or which may have become liens upon the Property, Plant and Equipment, and make such payments or cause such payments to be made in due time to prevent any delinquency thereon or any forfeiture or sale of the Property, Plant and Equipment or any part thereof, and, upon request, furnish to the Master Trustee receipts for all such payments, or other evidences satisfactory to the Master Trustee; provided, however, that the Obligated Group shall not be required to pay any tax, assessment, rate or charge as herein provided as long as it (i) shall in good faith contest the validity thereof or shall have applied for property tax exemption which it reasonably expects to receive and such exemption, if granted, would be effective with respect to such tax, assessment, rate or charge, or (ii) shall have entered into an agreement with the applicable taxing authority for the payment of such taxes in installments (to the extent applicable) and remains in compliance with such agreement;

(d) at all times comply with all terms, covenants and provisions of any Liens at such time existing upon its Properties or any part thereof or securing any of its Indebtedness noncompliance with which would reasonably be expected to have a material adverse effect on the operations of the Obligated Group or its Properties;

(e) use commercially reasonable efforts (as long as it is in its best interests and will not materially adversely affect the interests of the Holders) to maintain all permits, licenses and other governmental approvals necessary for the operation of its Properties; and

(f) use commercially reasonable efforts to maintain any available exemption from ad valorem taxation available for any real estate owned by it.

Nothing in this Section 3.02 shall be construed to require the Obligated Group to maintain any permit, license or other governmental approval, or to continue to operate or maintain any Property, Plant or Equipment, if, in the reasonable good faith judgment of the Obligated Group, such permit, license, governmental approval or Property, Plant or Equipment is, or within the next succeeding twenty-four (24) calendar months is reasonably expected to become, inadequate, obsolete, unsuitable, undesirable or unnecessary for the business of the

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Obligated Group and failure to maintain or operate such permit, license, governmental approval, Property, Plant or Equipment will not materially adversely impair the operation of the Obligated Group, as confirmed with a Certificate from the Asset Manager when such determination is made.

Section 3.03. Mortgages; Encumbrances.

(a) Except as otherwise provided in a Related Supplement or herein, to secure the payment and the performance of the other obligations of the Obligated Group hereunder, the Obligated Group hereby grants to the Master Trustee, for the benefit of the Holders of the Obligations, a security interest in the Property, Plant and Equipment of the Obligated Group. The Obligated Group covenants and agrees to execute and cause to be filed Uniform Commercial Code financing statements and to execute and deliver such other documents as may be necessary or as the Master Trustee may reasonably require in order to perfect or maintain as perfected such security interest or give public notice thereof, including the timely filing of continuation statements as necessary.

(b) Except as otherwise provided in a Related Supplement, unless project funds allocated to the financing of such Property are escrowed until the filing of a Mortgage, the Obligated Group shall enter into a mortgage, deed of trust, security agreement, assignment of rents and leases and/or financing statement described in the definition of "Mortgages" contained in Section 1.01 hereof for the Property to secure the obligations of the Obligated Group hereunder. The Obligated Group agrees to supplement, modify or amend such deed of trust or mortgage or to execute and deliver such other deeds of trust or mortgages as may be necessary from time to time to grant to the Master Trustee a first priority Lien on any Property of the Obligated Group.

(c) Except as provided in subparagraph (b) above, the Obligated Group covenants and agrees that it will not create, assume or suffer to exist any Lien upon the Property of the Obligated Group except for Permitted Liens.

(d) The Obligated Group agrees to obtain, or to cause to be obtained, at its own cost and expense, American Land Title Association (ALTA) policies of lender's title insurance on its respective Property, in an aggregate amount not less than the aggregate principal amount of the Outstanding Obligations, naming and payable to the Master Trustee, insuring the leasehold or fee title interests, as applicable, of the Obligated Group to the Property, subject only to Permitted Liens, issued by a title insurance company qualified to do business in the state in which the applicable Property is located.

(e) Upon the Master Trustee's receipt of a written request signed by the Obligated Group Representative and the Asset Manager, the Master Trustee shall execute and deliver such releases, subordinations, requests for reconveyance or other instruments as may be reasonably requested by the Obligated Group Representative in connection with (1) the disposition of Property in accordance with the provisions of Section 3.05 hereof, (2) the granting by the Obligated Group of any Lien which constitutes a Permitted Lien hereunder, or (3) payment or redemption of Obligations. In connection with any such request, the Obligated Group Representative shall deliver an Officer's Certificate signed by the Obligated Group

Representative and Asset Manager certifying that such instrument is permitted by the terms of this Master Trust Indenture.

Section 3.04. Insurance.

(a) (1) The Obligated Group covenants and agrees that it will obtain and maintain (or cause to be obtained and maintained): (i) property damage insurance on an "all risks" or "special form" basis, including but not limited to coverage against damage or loss caused by fire, explosion, lightning, machinery breakdown, faulty workmanship, design or materials (at least as provided in LEG 2/96 clause or equivalent), theft, hurricane, gale, cyclone, and/or tornado, hail, flooding, earth movement (including but not limited to earthquake, landslide, subsidence and volcanic eruption), flood, windstorm, equipment breakdown, strike, riot, civil commotion and vandalism and malicious mischief, and (ii) during the period of any construction or renovation or alteration of the buildings, structures and fixtures constituting any part of the Property owned by the Obligated Group, and only if the property insurance form (as described in Section 3.04(a)(1)(i) herein) does not otherwise provide coverage, a so-called "Builder's All Risk" insurance policy in non reporting form for any such improvements under construction, renovation or alteration including, without limitation, for demolition and increased cost of construction or renovation. All insurance provided pursuant to this subsection shall be in an amount equal to the lesser of (i) one hundred percent (100%) of the insurable value (without deduction for depreciation) of all buildings, structures and fixtures constituting any part of the Property owned by the Obligated Group or (ii) the principal amount of the Outstanding Obligations, and shall be subject to a deductible not to exceed $100,000 per occurrence.

(2) The Obligated Group covenants and agrees to procure and maintain (or cause to be procured or maintained), throughout the term of any Related Bond Indenture, business interruption or loss of rents, as applicable, insurance to cover total or partial loss of the use of any structures constituting any part of the Property as the result of any of the hazards covered by the property insurance required by Section 3.04(a)(1), in an amount sufficient to pay the Required Payments for a period of at least twelve (12) months. Proceeds of such insurance shall be deposited into the Revenue Fund created under Section 4.03(a) hereunder and applied to the payment of the Required Payments, in installments as the proceeds are paid to the Obligated Group.

(3) The Obligated Group covenants and agrees that it will maintain (or cause to be maintained) (i) general liability insurance of at least $1,000,000 per occurrence and $2,000,000 aggregate and (ii) worker's compensation insurance as required by the laws of the state(s) in which the Obligated Group maintains employees.

(4) An Insurance Consultant shall review the insurance requirements of the Obligated Group with respect to the Property from time to time (but not less frequently than once every five years) commencing January 1, 2030. If such review indicates that the Obligated Group should increase any of the coverages required by Section 3.04(a) hereof, the Obligated Group shall review such recommendation with the Governing Body of the Obligated Group and shall increase such coverage; provided, however, that such coverage is available from reputable insurance companies at a reasonable cost on the open market.

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(5) The Obligated Group hereby covenants that it will use commercially reasonable efforts to apply for any grants, loans or other relief available from each state government, as applicable, or the federal government to obtain amounts necessary to rebuild any portion of the Property destroyed or damaged in connection with an uninsured or underinsured calamity causing destruction or damage; provided, however, that the Obligated Group shall not be required to accept such amounts if doing so would jeopardize the integrity of the Obligated Group's programs.

(b) The insurance policies required by Section 3.04(a) hereof shall be provided by insurance companies which are financially responsible and capable of fulfilling the requirements of such policies. All such policies (except workers' compensation policies) shall name the Obligated Group and the Master Trustee as loss payees or additional insureds as their interest may appear, as applicable. Each policy shall be in such form and contain such provisions as are generally considered standard for the type of insurance involved and shall contain a provision to the effect that the insurer shall not cancel the policy without first giving at least thirty (30) days written notice thereof to the Obligated Group Representative, the Related Bond Issuer, the Related Bond Trustee and the Master Trustee. The Obligated Group shall provide the Related Bond Issuer, the Related Bond Trustee and the Master Trustee with written notice of any material modification to any policy required under this Section 3.04 within thirty (30) days of the date of such modification. In lieu of separate policies, the Obligated Group may maintain blanket policies which cover any one or more risks required to be insured against so long as the minimum coverages required herein are met.

(c) (1) All proceeds of the insurance carried pursuant to Section 3.04(a)(1) (except proceeds of the liability portion, if any, of such insurance) and proceeds of any condemnation awards with respect to any individual Property, in each case, in excess of ten percent (10%) of the Book Value of such Property, shall be paid immediately upon receipt by the Obligated Group or other named insured parties to the Master Trustee for deposit in the Insurance and Condemnation Proceeds Fund. In the event that the proceeds of any loss or damage to or condemnation of the Property shall be less than ten percent (10%) of the Book Value of the Property, the Obligated Group may, subject to compliance with any tax covenants contained herein or in any Related Bond Indenture or Related Loan Agreement, retain such proceeds without any formality whatsoever. In the event the Obligated Group elects to repair or replace the Property damaged, destroyed or taken, moneys in the Insurance and Condemnation Proceeds Fund shall be disbursed by the Master Trustee after deducting therefrom the reasonable charges and expenses of the Master Trustee in connection with the collection and disbursement of such moneys, for the purpose of repairing or replacing the Property damaged, destroyed or taken in the manner and subject to the conditions set forth in Section 3.04(d) hereof with respect to disbursements from the Insurance and Condemnation Proceeds Fund; provided, that unless the Master Trustee receives written notice that after repair and replacement the Property will continue to be used for the purposes for which they were constructed or acquired by the Obligated Group, no such disbursement shall be made prior to receipt by the Master Trustee of the written consent of the Related Bond Issuer.

(2) If the Obligated Group shall elect not to, or cannot, repair or replace the Property damaged, destroyed or taken, as provided in Section 3.04(c)(1), subject to Section 3.04(c)(3), the Master Trustee shall transfer all amounts in the Insurance and Condemnation Proceeds Fund on account of such damage, destruction or condemnation to the Related Bond Trustee for deposit in the applicable redemption account under the Related Bond Indenture.

(3) If all of the amounts deposited in the Insurance and Condemnation Proceeds Fund pursuant to the first sentence of Section 3.04(c)(1) exceed ten percent (10%) of the Book Value of the applicable Property, but the Obligated Group Representative notifies the Master Trustee in writing that such proceeds are not sufficient to retire all Related Bonds (or allocable portion thereof) then outstanding with respect to such Property, the Master Trustee shall not transfer said amounts to the applicable redemption account under the Related Bond Indenture unless the Obligated Group Representative shall file with the Master Trustee a report of an Independent Consultant showing that Gross Revenues are projected to be at least equal to the Debt Service Requirement on all Related Bonds then outstanding for each of the three full Fiscal Years immediately following such transfer after giving effect to the retirement of such Related Bonds (or allocable portion thereof) in accordance with the terms of the Related Bond Indenture. If the Obligated Group Representative is unable to provide such report of an Independent Consultant, the Obligated Group shall direct the Master Trustee to apply amounts in the Insurance and Condemnation Proceeds Fund to the repair or replacement of the Property damaged, destroyed or taken, as provided in Section 3.04(d)(1), unless the Obligated Group Representative shall file with the Master Trustee an Officer's Certificate stating that attached thereto is a further report of an Independent Consultant showing that even after making such repair and replacement, Gross Revenues are not projected to be at least equal to 1.15 times the Debt Service Requirement on all Related Senior Lien Bonds and Related Junior Lien Bonds then outstanding for each of the three full Fiscal Years immediately following the completion of such repair and replacement, in which event the Master Trustee shall transfer moneys into the Insurance and Condemnation Proceeds Fund as provided in Section 3.03(c)(2).

(d) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Insurance and Condemnation Proceeds Fund," and administer said fund as set forth in this Section 3.04(d). Prior to any disbursements from the Insurance and Condemnation Proceeds Fund in accordance with the provisions below, the Obligated Group Representative shall provide a written certification of the amount necessary to effectuate the planned repair or replacement together with any necessary funds such that, after the deposit of such funds, the amount on deposit in the Insurance and Condemnation Proceeds Fund is equal to the amount required to effectuate the planned repair or replacement.

(1) Before any payment from the Insurance and Condemnation Proceeds Fund shall be made, the Obligated Group shall file or cause to be filed with the Master Trustee a Request of the Obligated Group stating: (1) the item number of such payment; (2) the name of the Person to whom each such payment is due, which may be the Obligated Group Representative or the Obligated Group in the case of reimbursement for costs of such repair or replacement theretofore paid by the Obligated Group Representative or the Obligated Group; (3) the respective amounts to be paid; (4) the purpose by general classification for which each obligation to be paid was incurred; (5) that obligations in the stated amounts have been incurred by the Obligated Group Representative or the Obligated Group and are presently due and payable and that each item thereof is a proper charge against the Insurance and Condemnation Proceeds Fund and has not been previously paid from the Insurance and Condemnation Proceeds Fund;

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and (6) that there has not been filed with or served upon the Obligated Group Representative or the Obligated Group any notice of claim of lien, or attachment upon, or claim affecting the right to receive payment of, any of the amounts payable to any of the persons named in such Request, for which adequate security for the payment of such obligation has been posted, or which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law.

Within five (5) Business Days of receipt of a Request, the Master Trustee shall pay the amount set forth in such Request as directed by the terms thereof out of the Insurance and Condemnation Proceeds Fund. The Master Trustee may conclusively rely upon such Request and shall have no responsibility or duty to investigate any of the matters set forth therein.

(2) When the repair or replacement of a damaged, destroyed or taken Property shall have been completed, the Obligated Group shall deliver to the Master Trustee a Certificate of the Obligated Group stating the fact and date of such completion and stating that all of the costs thereof have been determined and paid (or that all of such costs have been paid less specified claims that are subject to dispute and for which a retention in the Insurance and Condemnation Proceeds Fund is to be maintained in the full amount of such claims until such dispute is resolved).

Section 3.05. Sale, Lease or Other Disposition of Property. The Obligated Group agrees not to Transfer in any Fiscal Year any Property except:

(a) With the approval of the Asset Manager, to any Person, any Property or assets equal to or less than $1,000,000 in value per year in the aggregate;

(b) Dispositions of obsolete, worn out or defective equipment;

(c) Dispositions of Permitted Investments at fair market value;

(d) To any other Member of the Obligated Group provided that the Mortgage is assigned and/or amended to reflect the Transfer, which assignment or amendment shall not require the consent of a Controlling Party;

(e) Mortgaged Property is not necessary for the operation of the related senior living and healthcare facilities provided that (i) the net proceeds of such sale or other disposition are applied as set forth in paragraph (f) below or (ii) if the Master Trustee has received an Opinion of Bond Counsel to the effect that under then existing law the deposit of such net proceeds in the Revenue Fund would not, in of itself, adversely affect the validity of any Related Bonds or any exemption from federal or state income taxation of interest payable on such Related Bonds otherwise entitled to such exemption, the net proceeds of such sale or other disposition are deposited in the Revenue Fund; and

(f) To any Person provided that such Property is transferred for at least Fair Market Value (provided that, the Obligated Group Representative shall, prior to such transfer, furnish to the Master Trustee a Sufficiency Certificate with confirming directions and an Officer's Certificate from the Asset Manager) and the net proceeds of such sale or other disposition are

applied to the payment of the redemption price of Related Bonds in a principal amount as set forth in the Related Bond Indenture for such Related Bonds. Before any Transfer of Property described in above, the Obligated Group Representative shall furnish to the Master Trustee (i) an Officer's Certificate stating that no Event of Default has occurred and is continuing, that no Default will occur or exist as a result of the proposed transfer and stating the amount of the net proceeds, if any, anticipated to be derived from such sale or other disposition of such Property, and (ii) an independent appraisal (which shall be conducted by an independent appraiser) of the Property so sold or disposed of, showing such Property is to be sold or disposed of at a price at least equal to its Fair Market Value.

In addition to the foregoing limitations, except with respect to Section 3.05(a), (b), (c) and (d) above, the Obligated Group may not Transfer any Property unless (1) the Master Trustee shall be furnished with an Officer's Certificate to the effect that (i) the security of the Mortgage relating to such Property and the ability of the mortgagee thereunder to foreclose upon any remaining adjoining Property will not be impaired as a result of the disposition of such Property, and (ii) the Obligated Group shall have conveyed to the mortgagee under such Mortgage such rights-of-way, easements and other rights in land as are required for ingress to and egress from any remaining Property, for the utilization of the facilities located thereon and for utilities required to serve such facilities; and (2) except as set forth in Section 3.05(e) above, the Obligated Group shall cause the proceeds, if any, of a sale of such Property to be applied to (a) the defeasance or redemption of Obligations or such portions thereof related to such Property as set forth in any applicable Related Bond Indenture, and the Obligated Group shall provide a written direction to the Master Trustee and any Related Bond Trustee relating to the defeasance or redemption of Related Bonds secured by such Obligations; and (b) the payment of any professional services fees (including but not limited to legal fees, broker fees, and servicing fees) incurred by the Obligated Group in connection with the sale of such Property. In the event that the sale of such Property produces any Excess Sale Proceeds, such Excess Sale Proceeds shall be deposited with the Master Trustee and be applied as follows, as set forth in a written direction received from the Obligated Group Representative: (x) *first*, if at the time of receipt of such Excess Sale Proceeds a deficiency exists with respect to the amount on deposit in any debt service reserve account established with respect to any Related Senior Lien Bonds, such Excess Sale Proceeds shall be deposited in such debt service reserve fund in an amount sufficient to cure such deficiency (or until such Excess Sale Proceeds have been exhausted); ~~and~~ (y) *second*, if at the time of receipt of such Excess Sale Proceeds a deficiency exists with respect to the amount on deposit in any debt service reserve account established with respect to any Related Junior Lien Bonds, such Excess Sale Proceeds shall be deposited in such debt service reserve fund in an amount sufficient to cure such deficiency (or until such Excess Sale Proceeds have been exhausted); and (z) *third*, any remaining Excess Sale Proceeds shall be deposited into the Surplus Fund. The Master Trustee may establish such accounts or subaccounts hereunder for the receipt of proceeds of the sale of Property and the defeasance or redemption of Obligations as may be necessary in compliance with this Section.

Section 3.06. Operating Account; Operations and Maintenance Fund.

(a) Each Member of the Obligated Group shall deposit all of its Gross Revenues as soon as practicable upon receipt in an account which such Member of the Obligated Group shall establish and maintain, subject to the provisions of subsection (b) of this Section, at such

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banking institution or institutions as the Obligated Group shall from time to time designate in writing to the Master Trustee for such purpose (the "Depository Bank(s)"). The Obligated Group shall execute and deliver such documents (including, but not limited to, control agreements and continuation statements) as may be necessary or reasonably requested by the Master Trustee in order to perfect or maintain as perfected the security interest granted hereunder, including without limitation, the Deposit Account Control Agreement.

(b) Amounts in the Operating Account may be used and withdrawn by the Obligated Group at any time to pay Operating Expenses, except as provided in Section 4.03(a) and as otherwise provided herein. In the event that the Obligated Group is delinquent for more than one Business Day in the payment of any Required Payment with respect to any Obligation issued pursuant to a Related Supplement, the Master Trustee, upon written notice from the Obligated Group Representative or Actual Knowledge of such delinquency, shall notify the Obligated Group Representative of such delinquency, and, unless such Required Payment is paid, or provision for payment is duly made, in a manner satisfactory to the Master Trustee, within five (5) days after the Master Trustee's delivery of such notice to the Obligated Group Representative, the Obligated Group Representative or the Obligated Group shall cause the Depository Bank(s) to transfer the funds in the Operating Account to the Master Trustee. Upon receipt of such funds from the Operating Account, the Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Operations and Maintenance Fund," for the deposit of such transferred funds and for deposit of Gross Revenues. Upon the receipt of such notice by the Obligated Group Representative, the Members of the Obligated Group shall be required to deposit all Gross Revenues directly with the Master Trustee for deposit in the Operations and Maintenance Fund. The funds in the Operations and Maintenance Fund shall continue to be held in the Operation and Maintenance Fund until six months after the amounts on deposit in said fund are sufficient to pay in full, or have been used to pay in full, all Required Payments in default and all other Events of Default known to the Master Trustee shall have been made good or cured to the satisfaction of the Master Trustee or provision deemed by the Master Trustee to be adequate shall have been made therefor, whereupon the funds in the Operations and Maintenance Fund (except for the Gross Revenues required to make such payments or cure such defaults) shall be returned to the name and credit of the Obligated Group as directed in an Officer's Certificate. During any period that the Gross Revenues are required to be deposited directly with the Master Trustee into the Operations and Maintenance Fund, the Master Trustee shall use and withdraw amounts in said Fund from time to time (1) first, to make payments owed to Master Trustee in accordance with Section 7.05 hereof, (2) second, to make Required Payments as such payments become due (whether by maturity, redemption, acceleration or otherwise), and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of Required Payments ratably without any discrimination or preference, and (3) third, to such other payments in the order which the Master Trustee, in its discretion, shall determine to be in the best interests of the Holders of Obligations without discrimination or preference. During any period that the Gross Revenues are required to be deposited directly with the Master Trustee into the Operations and Maintenance Fund, the Obligated Group shall not be entitled to use or withdraw any of the Gross Revenues unless and to the extent that the Controlling Owners so direct the Master Trustee to pay current or past due Operating Expenses of the Obligated Group. The Obligated Group agrees to execute and deliver all instruments as may be required to implement this Section. The Obligated Group further agrees that a failure to comply with the terms of this Section shall cause irreparable harm to the

Holders and shall entitle the Master Trustee, with or without notice, to take immediate action to compel the specific performance of the obligations of the Obligated Group as provided in this Section.

(c) The Obligated Group covenants and agrees that, so long as any of the Obligations remain Outstanding, all of the Gross Revenues, after the payment of or provision for both Operating Expenses and budgeted normal capital expenditures related to the maintenance of each Property to be paid within the next thirty (30) days, shall be transferred from the Operating Account for deposit with the Master Trustee in the Revenue Fund, as set forth in Section 4.03(b) of this Master Trust Indenture.

Section 3.07. Rates and Charges; Coverage; Liquidity.

(a) The Obligated Group covenants and agrees to fix, charge and collect, or cause to be fixed, charged and collected, rental rates, fees and charges due from the residents of the Properties so that Gross Revenues, together with other available moneys, will be sufficient to pay all Required Payments when due and all Operating Expenses.

(b) The Obligated Group covenants and agrees to fix, charge and collect, or cause to be fixed, charged and collected, rental rates, fees, and charges in each Bond Year, commencing with the Bond Year ending January 1, 2026, sufficient to produce a (i) Debt Service Coverage Ratio of not less than ~~1.15:1.00~~1.20x with respect to the Related Senior Lien Bonds ~~(~~, and (ii) a Debt Service Coverage Ratio of not less than 1.10x with respect to the Related Senior Lien Bonds and the Related Junior Lien Bonds in the aggregate (collectively, the "Rate Covenant"). If, based upon the annual financial statements of the Obligated Group required herein, for any Fiscal Year such Debt Service Coverage Ratio was not maintained, the Obligated Group agrees to retain promptly an Independent Consultant for purposes of obtaining a report of such firm containing recommendations as to changes in the operating policies of the Obligated Group designed to maintain such Debt Service Coverage Ratio and to follow such recommendations.

The Obligated Group Representative shall deliver a Certificate to the Master Trustee along with the audited financial statements required by Section 5.06, commencing with the audited financial statements for the Fiscal Year ending December 31, 2025, which Certificate shall set forth the calculation of the Debt Service Coverage Ratio for each Fiscal Year and the Obligated Group's compliance with the Rate Covenant.

No default under this subparagraph (b) will occur if a Debt Service Coverage Ratio less than required but at least 1.00:1.00 with respect to the Related Senior Lien Bonds is maintained, the Liquidity Requirements as of the related Testing Date was met, and if such recommendations are followed; provided, however, if the Debt Service Coverage Ratio with respect to the Related Senior Lien Bonds is not attained by the end of the next Fiscal Year, then an Event of Default shall occur.

The Obligated Group's obligation to meet the Rate Covenant remains so long as any applicable Obligations are Outstanding.

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(c) The Obligated Group covenants that it will calculate the Days Cash on Hand of the Obligated Group as of December 31 of each Fiscal Year, commencing with December 31, 2025 (each such date being a "Testing Date").

Each Member of the Obligated Group is required to conduct its business so that on each Testing Date the Obligated Group shall have no less than (i) 60 Days Cash on Hand on the Closing Date~~, December 31, 2025~~, December 31, 2026 and December 31, 2027, (ii) 75 Days Cash on Hand on December 31, 2028 and December 31, 2029, and (iii) 90 Days Cash on Hand on December 31, 2030 and December 31, 2031, and (iv) 120 Days Cash on Hand on December 31, 2032 and each December 31 thereafter (the "Liquidity Requirement").

The Obligated Group Representative shall deliver a Certificate to the Master Trustee along with the audited financial statements required by Section 5.06, commencing with the audited financial statements for the Fiscal Year ending December 31, 2025, which Certificate shall set forth the calculation of the Days Cash on Hand as of the end of such Fiscal Year and the Obligated Group's compliance with the Liquidity Requirement.

If, based upon the annual financial statements of the Obligated Group required herein, for any Fiscal Year such Liquidity Requirement was not maintained, the Obligated Group agrees to employ promptly an Independent Consultant for purposes of obtaining a report of such firm containing recommendations as to changes in the operating policies of the Obligated Group designed to maintain such Liquidity Requirement and to follow such recommendations.

Notwithstanding any other provision of this Master Trust Indenture, failure of the Obligated Group to achieve the required Liquidity Requirement for any Testing Date shall not constitute an Event of Default under this Master Trust Indenture if the Obligated Group takes all action necessary to comply with the above paragraph and follows each recommendation contained in such Independent Consultant's report to the extent feasible (as determined in the reasonable judgment of the Governing Body of such Member) and permitted by law.

Section 3.08. Annual Budget.

(a) On the Master Trust Indenture Effective Date and at least forty-five (45) days prior to the first day of each Fiscal Year commencing with the Fiscal Year beginning January 1, 2026, the Obligated Group shall prepare the Annual Budget for the following Fiscal Year, which Annual Budget shall include Operating Expenses detailed on a monthly basis. If the Obligated Group fails to prepare the Annual Budget for any Fiscal Year, the Annual Budget for the preceding Fiscal Year shall continue in effect until the Annual Budget is prepared for the remainder of the applicable Fiscal Year. Promptly following preparation by the Obligated Group, a copy of each Annual Budget or amendment thereto will be furnished to the Master Trustee (provided nothing herein shall obligated the Master Trustee to review such Annual Budget). The Annual Budget, and any amendment thereto, must indicate whether the Rate Covenant is anticipated to be met for the Fiscal Year to which such Annual Budget relates, based on the Gross Revenues estimated therein. The Annual Budget may be amended and any amendment, including a statement of the reasons for the amendment, shall be furnished to the Master Trustee within thirty (30) days after the adoption thereof.

(b) If the Annual Budget, or any amendment thereto, indicates that the Rate Covenant is not anticipated to be met, an Independent Consultant shall be retained by the Obligated Group (i) to review the Annual Budget and (ii) to certify to the Master Trustee (x) that the Annual Budget, revised to reflect such recommendations or variations as may be presented in writing by the Independent Consultant, is reasonable, and (y) whether the Rate Covenant for the Fiscal Year to which such revised Annual Budget relates will be met based on the recommendations and the Operating Expenses projected by the Independent Consultant.

Section 3.09. Admission of Members to the Obligated Group. Any other Person may become a Member of the Obligated Group if:

(a) Such Person is a business entity;

(b) Such Person shall execute and deliver to the Master Trustee a Related Supplement in a form acceptable to the Master Trustee which shall be executed by the Master Trustee and the Obligated Group Representative, (i) containing the agreement of such Person (y) to become a Member of the Obligated Group and thereby to become subject to compliance with all provisions of this Master Trust Indenture, and (z) unconditionally and irrevocably (subject to the right of such Person to cease its status as a Member of the Obligated Group pursuant to the terms and conditions of Section 3.11 hereof) to jointly and severally make payments upon each Obligation, and (ii) stating whether such Person has Property, a description thereof, and whether such Property will become Mortgaged Property upon such Person's execution and delivery of the Related Supplement;

(c) The Obligated Group Representative and each Member shall have approved the admission of such Person to the Obligated Group;

(d) The Master Trustee shall have received (i) an Officer's Certificate of the Obligated Group Representative which (A) states that prior to and immediately after such Person becoming a Member of the Obligated Group, no Event of Default exists hereunder and no event shall have occurred which with the passage of time or the giving of notice, or both, would become such an Event of Default; and (B) prior to and immediately after such Person becoming a Member of the Obligated Group, the Members would not be in default in the performance or observance of any covenant or condition to be performed or observed hereunder; (ii) a Sufficiency Certificate; (iii) an Opinion of Counsel in form and substance acceptable to the Master Trustee to the effect that (x) the instrument described in Section 3.09(b) above has been duly authorized, executed and delivered and constitutes a legal, valid and binding agreement of such Person, enforceable in accordance with its terms, subject to customary exceptions for bankruptcy, insolvency and other laws generally affecting enforcement of creditors' rights and application of general principles of equity, and (y) the addition of such Person to the Obligated Group will not adversely affect the status of any Member as an organization exempt from federal income tax under Section 501(a) of the Code due to being described in Section 501(c)(3) of the Code, or as a single member limited liability company that is disregarded for federal tax purposes, whose sole member is an organization exempt from federal income tax under Section 501(a) of the Code due to being described in Section 501(c)(3) of the Code; (iv) written notice from each Rating Agency then maintaining a rating on any series of Related Bonds to the effect that the admission of such Person to the Obligated Group will not result in a lower rating on such

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series of Related Bonds; (v) if all amounts due or to become due on all Related Bonds have not been paid to the holders thereof and provision for such payment has not been made in such manner as to have resulted in the defeasance of all Related Bond Indentures, an Opinion of Bond Counsel to the effect that under then existing law the consummation of such transaction would not, in of itself, adversely affect the validity of any Related Bonds or any exemption from federal or state income taxation of interest payable on such Related Bonds otherwise entitled to such exemption; provided that in making the calculation called for by subsection (d)(i) above, (x) there shall be excluded from Gross Revenues any Gross Revenues generated by property of such Person transferred or otherwise disposed of by such Person since the beginning of the Fiscal Year during which such Person's entry into the Obligated Group occurs, and (y) there shall be excluded from Operating Expenses any Operating Expenses related to property of such Person transferred or otherwise disposed of by such Person since the beginning of the Fiscal Year during which such Person's entry into the Obligated Group occurs; and

(e) The Master Trustee shall have received an Officer's Certificate from the Obligated Group Representative confirming that such Person has complied with the provisions of Sections 3.03 (to the extent that such Person owns Property that is intended to become Mortgaged Property), 3.04. 3.06 and 4.01 hereof.

Each successor, assignee, surviving, resulting or transferee corporation of a Member must agree to become, and satisfy the above described conditions to becoming, a Member of the Obligated Group prior to any such succession, assignment or other change in such Member's corporate status.

Section 3.10. Obligated Group Members. Upon any Person's becoming a Member of the Obligated Group as provided in Section 3.09, each such Person hereby acknowledges and agrees that:

(a) the Master Trustee may pursue any remedies consequent upon an Event of Default against any Member of the Obligated Group, or all of them, without notice to, demand upon or joinder of (and without in any way releasing) any of the others, or against any one or more or all of them at the same time or at different times;

(b) any right of contribution or right acquired by subrogation by any Member of the Obligated Group against any other Member of the Obligated Group arising out of the payment of Indebtedness shall be subordinated to the rights of the Master Trustee and the Holders of Obligations; and

(c) the Obligated Group Representative is designated as its attorney in fact with full power of substitution to perform, satisfy, and discharge every obligation, covenant, duty or liability to be performed on the part of the Member of the Obligated Group hereunder.

Section 3.11. Withdrawal of Members of the Obligated Group. Each Member covenants that it will not take any action, corporate or otherwise, which would cause it or any successor thereto into which it is merged or consolidated under the terms of this Master Trust Indenture to cease to be a Member of the Obligated Group unless:

(a) prior to cessation of such status, there is delivered to the Master Trustee an Opinion of Counsel to the effect that, under then existing law, the cessation by the Member of its status as a Member will not adversely affect the validity of any Related Bond and an Opinion of Bond Counsel that it will not, with respect to any Related Bond the interest on which is tax-exempt, adversely affect the exclusion of interest on such Related Bonds from gross income of the owners thereof for federal income tax purposes;

(b) prior to the cessation of such status, there is delivered to the Master Trustee a Sufficiency Certificate and an Officer's Certificate to the effect that: (i) prior to and immediately after such cessation, no Event of Default exists hereunder and no event shall have occurred which with the passage of time or the giving of notice, or both, would become such an Event of Default; (ii) the Projected Debt Service Coverage Ratio for the Obligated Group following the cessation of such status is either (A) not less than the Debt Service Coverage Ratio for the Obligated Group as of the end of the most recent Fiscal Year or (B) the Obligated Group would be permitted to incur Additional Indebtedness following the cessation of such status pursuant to subsection (b) of the definition of Sufficiency Certificate; (iii) it has received evidence from each Rating Agency then maintaining a rating on any series of Related Bonds to the effect that the withdrawal of such Person from the Obligated Group will not result in a lower rating on such series of Related Bonds; and (iv) prior to and immediately after such cessation, the Members would not be in default in the performance or observance of any covenant or condition to be performed or observed hereunder;

(c) prior to such cessation there is delivered to the Master Trustee an Opinion of Counsel to the effect that the cessation by such Member of its status as a Member will not, in of itself, adversely affect the status of any Member as an organization exempt from federal income tax under Section 501(a) of the Code due to being described in Section 501(c)(3) of the Code, or as a single member limited liability company that is disregarded for federal tax purposes, whose sole member is an organization exempt from federal income tax under Section 501(a) of the Code due to being described in Section 501(c)(3) of the Code;

(d) prior to such cessation of such status there is delivered to the Master Trustee evidence from each Rating Agency then maintaining a rating on any series of Related Bonds to the effect that the cessation of such status will not result in a lower rating on such series of Related Bonds;

(e) to the extent any Properties are being removed from the lien of the Mortgage in connection with the withdrawal of a Member, Section 3.05 hereof is complied with;

(f) any Liens in favor of the withdrawing Member on the Property of a remaining Member is released and satisfied unless such Lien constitutes a Permitted Lien after the withdrawing Member is no longer a Member; and

(g) prior to cessation of such status, the Obligated Group Representative and each Member, consents in writing to the withdrawal by such Member.

Section 3.12. Calculation of Debt Service and Debt Service Coverage. The various calculations of the amount of Indebtedness of a Person, the amortization schedule of such

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Indebtedness and the debt service payable with respect to such Indebtedness required under certain provisions of this Master Trust Indenture shall be delivered to the Master Trustee in an Officer's Certificate of the Obligated Group Representative and made in a manner consistent with that adopted in Section 5.01 hereof and in this Section 3.12. In the case of Balloon or Put Indebtedness issued pursuant to subsection (d), (e) or (l) of Section 5.01 hereof, unless such Indebtedness is reclassified pursuant to this Section 3.12 as having been issued pursuant to another subsection of Section 5.01 hereof, the amortization schedule of such Indebtedness and the debt service payable with respect to such Indebtedness for future periods shall be calculated on the assumption that such Indebtedness is being issued simultaneously with such calculation. With respect to Put Indebtedness, if the option of the holder to require that such Indebtedness be paid, purchased or redeemed prior to its Stated Maturity date, or if the requirement that such Indebtedness be paid, purchased or redeemed prior to its Stated Maturity date (other than at the option of such holder and other than pursuant to any mandatory sinking fund or any similar fund), has expired or lapsed as of the date of calculation, such Put Indebtedness shall be deemed payable in accordance with its terms, not taking into account such put option.

In determining the amount of debt service payable on Indebtedness in the course of the various calculations required under certain provisions of this Master Trust Indenture, if the terms of the Indebtedness being considered are such that interest thereon for any future period of time is expressed to be calculated at a varying rate per annum, a formula rate or a fixed rate per annum based on a varying index, then for the purpose of making such determination of debt service, interest on such Indebtedness for such period (the "Determination Period") shall be computed by assuming that the rate of interest applicable to the Determination Period is equal to the average of the rate of interest (calculated in the manner in which the rate of interest for the Determination Period is expressed to be calculated) which was in effect (or, with respect to Indebtedness that is being incurred or that has not been outstanding for at least 12 full calendar months, would have been in effect had such Indebtedness been outstanding) on the last date of each of the 12 full calendar months immediately preceding the month in which such calculation is made; provided that if the index or other basis for calculating such interest was not in existence for at least 12 full calendar months next preceding the date of calculation, the rate of interest for such period shall be deemed to be the average rate of interest that was in effect on the last day of each full calendar month next preceding the date of calculation; and if the average rate of interest borne by such Indebtedness for such shorter period cannot be calculated, the rate of interest for such period shall be deemed to be the Projected Rate.

Obligations issued to secure Indebtedness permitted to be incurred under Section 5.01 hereof shall not be treated separately as Additional Indebtedness from the Indebtedness secured thereby in a manner which would require such Indebtedness to be included more than one time in the calculations performed under this Master Trust Indenture.

No debt service shall be deemed payable with respect to Commitment Indebtedness until such time as funding occurs under the commitment which gave rise to such Commitment Indebtedness. From and after such funding, the amount of such debt service shall be calculated in accordance with the actual amount required to be repaid on such Commitment Indebtedness and the actual interest rate and amortization schedule applicable thereto. No Additional Indebtedness shall be deemed to arise when any funding occurs under any such commitment or any such commitment is renewed upon terms which provide for substantially the same terms of

repayment of amounts disbursed pursuant to such commitment as obtained prior to such renewal. In addition, no Additional Indebtedness shall be deemed to arise when Indebtedness which bears interest at a variable rate of interest is converted to Indebtedness which bears interest at a fixed rate or the method of computing the variable rate on such Indebtedness is changed or the terms upon which Indebtedness, if Put Indebtedness, may be or is required to be tendered for purchase are changed, if such conversion or change is in accordance with the provisions applicable to such variable rate Indebtedness or Put Indebtedness in effect immediately prior to such conversion or change.

Balloon Indebtedness incurred as provided under subsection (m) of Section 5.01 hereof, unless reclassified pursuant to this Section 3.12, shall be deemed to be payable in accordance with the assumptions set forth in subsection (d)(1)(B) of Section 5.01 hereof. Put Indebtedness incurred as provided under subsection (m) of Section 5.01 hereof, unless reclassified pursuant to this Section 3.12, shall be deemed to be payable in accordance with the assumptions set forth in subsection (e)(1) of Section 5.01 hereof. Principal payments due with respect to Balloon Indebtedness in any year in which 25% or more of the original principal amount of such mature during any consecutive 12-month period and any principal payment due with respect to Put Indebtedness due on a Put Date shall be disregarded to the extent such principal payments are refinanced pursuant to other permitted Indebtedness.

For the purpose of determining whether any particular Guaranty may be incurred, it shall be assumed that 100% of the Indebtedness guaranteed is Funded Indebtedness of the guarantor under such Guaranty. For the purpose of calculating any historical Debt Service Requirements, the guarantor's Debt Service Requirements under a Guaranty shall be deemed to be the actual amount paid on such Guaranty by the guarantor. For any other purpose, a guarantor shall be considered liable only for 20% of the annual debt service requirement on the Indebtedness guaranteed; provided, however, if the guarantor has been required by reason of its guaranty to make a payment in respect of such Indebtedness within the immediately preceding 24 months, the guarantor shall be considered liable for 100% of the annual debt service requirement on the Indebtedness guaranteed.

For purposes of the various calculations required under this Master Trust Indenture for Capitalized Leases, the Capitalized Rentals under a Capitalized Lease at the time of such calculation shall be deemed to be the principal payable thereon.

Each Member may elect to have Indebtedness issued pursuant to one provision of Section 5.01 hereof, including without limitation subsection (m) of Section 5.01 hereof, reclassified as having been incurred under another provision of Section 5.01 hereof, by demonstrating compliance with such other provision on the assumption that such Indebtedness is being reissued on the date of delivery of the materials required to be delivered under such other provision including the certification of any applicable Projected Rate. From and after such demonstration, such Indebtedness shall be deemed to have been incurred under the provision with respect to which such compliance has been demonstrated until any subsequent reclassification of such Indebtedness.

Anything herein to the contrary notwithstanding, any portion of any Indebtedness of any Member for which an Interest Rate Agreement has been obtained or will be obtained

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simultaneously with the issuance of such Indebtedness by such Member shall be deemed to bear interest for the period of time that such Interest Rate Agreement is in effect at a net rate which takes into account the interest payments made by such Member on such Indebtedness and the Regularly Scheduled Payments made or received by such Member on such Interest Rate Agreement; provided that the long term credit rating of the provider of such Interest Rate Agreement (or any guarantor thereof) is in one of the three highest rating categories of any Rating Agency (without regard to any refinements of gradation of rating category by numerical modifier or otherwise) or is at least as high as that of the Obligated Group. In addition, so long as any Indebtedness is deemed to bear interest at a rate taking into account an Interest Rate Agreement, any payments (regularly scheduled, termination or otherwise) made by a Member on such Interest Rate Agreement shall be excluded from Operating Expenses and any payments (regularly scheduled, termination or otherwise) received by a Member on such Interest Rate Agreement shall be excluded from Revenues, in each case, for all purposes of this Master Trust Indenture.

A revolving line of credit or line of credit may be deemed to be fully drawn on the date of issuance and amortized in accordance with such agreement or if no amortization schedule is provided under such agreement or if it would be Balloon Indebtedness, then it shall be amortized in accordance with the assumption set forth in subsection (d)(1)(B) of Section 5.01 hereof.

Section 3.13. Formation of Subsidiaries of the Members of the Obligated Group. The Members of the Obligated Group are permitted to form additional subsidiaries, and such subsidiaries are not required to become a Member of the Obligated Group.

Section 3.14. Approval of Consultants.

(a) If at any time the Members of the Obligated Group are required to engage an Independent Consultant under Section 3.07 or Section 3.08 herein, such Independent Consultant shall be engaged in the manner set forth below.

(b) Upon selecting an Independent Consultant as required by Section 3.07 or Section 3.08 hereof, the Obligated Group Representative shall promptly notify the Master Trustee in writing of such selection. The Master Trustee shall, as soon as practicable but in no case longer than five (5) Business Days after receipt of notice, forward such notice to the Holders of all Obligations outstanding of such selection, and the Obligated Group Representative will post a copy of such notice (or cause a copy of such notice to be posted) on EMMA. Such notice of the Obligated Group Representative shall (i) include the name of the Independent Consultant and a brief description of the Independent Consultant, (ii) state the reason that the Independent Consultant is being engaged including a description of the covenant(s) of this Master Indenture that require the Independent Consultant to be engaged, and (iii) state that the Holder of the Obligation will be deemed to have consented to the selection of the Independent Consultant named in such notice unless such Obligation Holder submits an objection to the selected Independent Consultant in writing (in a manner acceptable to the Master Trustee) to the Master Trustee within thirty (30) days of the date that the notice is sent to the Holders of the Obligations. No later than two (2) Business Days after the end of the 30-day objection period, the Master Trustee shall notify the Obligated Group of the number of written objections it has received. If the Holders of two-thirds (66 2/3%) or more in aggregate principal amount of the

outstanding Obligations (excluding Obligations issued as Third Lien Obligations unless such Obligations are the only Outstanding Obligations) have consented or been deemed to have consented by not objecting to the selection of the Independent Consultant, the Obligated Group Representative may engage the Independent Consultant within five (5) days of receiving notice of that consent. If the Holders of more than one-third (33 1/3%) in aggregate principal amount of the outstanding Obligations (excluding Obligations issued as Third Lien Obligations unless such Obligations are the only Outstanding Obligations) have objected to the Independent Consultant selected, the Obligated Group Representative shall select another Independent Consultant within fourteen (14) days after receiving notice of such objection which may be engaged upon compliance with the procedures of this Section.

All Independent Consultant reports required hereunder shall be prepared in accordance with then-effective industry-appropriate standards.

(c) When the Master Trustee provides the notice to the Holders of Obligations of such selection, the Master Trustee shall also request that any Related Bond Trustee send a copy of such notice to the owners of all of the Related Bonds outstanding. Such Related Bond Trustee shall, as the owner of an Obligation securing such Related Bonds, consent or object to the selection of the Independent Consultant in accordance with the response of the owners of such Related Bonds. If two-thirds (66 2/3%) or more in aggregate principal amount of the Related Bonds have been deemed to have consented to the selection of the Independent Consultant, by not objecting to the selection of the Independent Consultant, the Related Bond Trustee shall approve the Independent Consultant within five days of receiving notice of that consent. If more than one-third (33 1/3%) in aggregate principal amount of the owners of the Related Bonds have objected to the Independent Consultant selected, the Related Bond Trustee shall reject the Independent Consultant within 14 days after receiving notice of such objection.

The 30-day notice period described in subsection (b) above may be extended by the Master Trustee in order to permit each Related Bond Trustee to give the owners of the Related Bonds 30 days to respond to the notice given by the Related Bond Trustee. By acceptance of an Obligation securing any Related Bonds, the Related Bond Trustee agrees to comply with the provisions of this Section.

ARTICLE IV

PLEDGE; PLEDGED FUNDS; INVESTMENTS

Section 4.01. Pledge.To secure the payment of Required Payments and the performance by the Obligated Group of its other obligations under this Master Trust Indenture, and subject only to the provisions of this Master Trust Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, the Obligated Group hereby pledges and grants a security interest to the Master Trustee in, all of its right, title and interest, whether now owned or hereafter acquired, in, to and under the Pledged Assets.

(b) The Obligated Group shall authorize and shall cause to be filed, Uniform Commercial Code financing statements and shall execute and cause to be sent to the Master Trustee a notice of the security interest granted hereunder. The Obligated Group Representative

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shall execute and deliver such other documents (including, but not limited to, control agreements) on behalf of the Obligated Group as may be necessary or reasonably requested by the Master Trustee in order to perfect or maintain as perfected such security interest or give public notice thereof. Provided a copy of the originally filed Uniform Commercial Code financing statements are timely delivered to the Master Trustee, the Master Trustee shall file or cause to be filed all necessary continuation statements with respect to such originally filed Uniform Commercial Code financing statements. Notwithstanding anything to the contrary contained herein, neither the Master Trustee nor any other Person (other than the Obligated Group) shall be responsible for any initial filings of any financing statements or the information contained therein (including the exhibits thereto), the perfection or priority of any such security interests, or the accuracy or sufficiency of any description of collateral in such initial filings or for filing any modifications or amendments to the initial filings required by Article 9 of the Uniform Commercial Code. In filing any continuation statements, the Master Trustee may conclusively rely upon the original financing statement unless otherwise notified in writing by the Obligated Group Representative.

Section 4.02. Establishment of Funds and Accounts. The following funds and separate accounts are hereby established and shall be held, in trust, and maintained by the Master Trustee:

Revenue Fund;
Administrative Costs Fund;
Senior Lien Obligations Fund;
    Interest Account,
    Principal Account, and
    Redemption Account;
Operating Reserve Fund;
Repair and Replacement Fund;
Junior Lien Obligations Fund;
    Interest Account,
    Principal Account, and
    Redemption Account;
Subordinated Management Fees Fund;
~~Junior~~Third Lien Obligations Fund;
    Interest Account, and
    Principal Account; and
Surplus Fund.

Section 4.03. Revenue Fund.

(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Revenue Fund," and within said fund one or more separate accounts as directed by the Obligated Group Representative from time to time, and administer said fund and any such accounts as set forth in this Section 4.03.

(b) After the payment of or provision for both Operating Expenses and budgeted normal capital expenditures related to the maintenance of each such Property to be paid within

the next thirty (30) days, no later than the 10th day of each calendar month, the Obligated Group shall transfer to the Master Trustee from each Operating Account all amounts in excess of thirty (30) days of both Operating Expenses and budgeted normal capital expenditures related to the maintenance of the applicable Property and the Master Trustee shall deposit such amounts into the Revenue Fund, as and when received, from (i) all Gross Revenues, (ii) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (iii) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) The twentieth (20th) day of each calendar month, the Master Trustee shall use and withdraw amounts in the Revenue Fund and apply such amounts to the following purposes in the following order, provided that, in the event funds in any month are insufficient to make any one or more of such transfers, any and all of such deficiencies will be remedied prior to making any transfers to any subordinated funds (based on the following order of priority) in any future month:

(i) at the written direction of the Obligated Group Representative, to any Related Bond Trustee for deposit to the Rebate Fund established under a Related Bond Indenture, the amount set forth in such written direction;

(ii) at the written direction of the Obligated Group Representative, to the Master Trustee for deposit to the Administrative Costs Fund established hereunder, the amount set forth in such written direction for the payment of Administrative Fees;

(iii) to the following accounts in the following order of priority:

(1) the Interest Account of the Senior Lien Obligations Fund, an amount equal to the quotient obtained by dividing the amount of interest on the Senior Lien Obligations Outstanding payable on the first Interest Payment Date by the number of months between the related Closing Date and the first Interest Payment Date, and thereafter an amount equal to one-sixth (1/6) of the amount of interest due and payable on the Senior Lien Obligations on the next Interest Payment Date, plus an amount equal to any then-existing shortfall from prior periods; and

(2) commencing on that calendar month as shall precede the first Principal Payment Date by more than twelve (12) but less than thirteen (13) months, the Principal Account of the Senior Lien Obligations Fund, an amount equal to one-twelfth (1/12) of the Principal Amount of the Senior Lien Obligations due and payable on the next Principal Payment Date, including sinking fund installments, if applicable, plus an amount equal to any then-existing shortfall from prior periods;

In making such deposits, the Master Trustee shall reduce the amount of the Required Payments by (i) any investment earnings which have accrued in such accounts and (ii) any amounts which the Related Bond Trustee notifies it in writing are available for the Required Payments under the Related Bond Indenture;

(iv) to the following accounts in the following order of priority:

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(1) the Interest Account of the Junior Lien Obligations Fund, an amount equal to the quotient obtained by dividing the amount of interest on the Junior Lien Obligations Outstanding payable on the first Interest Payment Date by the number of months between the related Closing Date and the first Interest Payment Date, and thereafter an amount equal to one-sixth (1/6) of the amount of interest due and payable on the Junior Lien Obligations on the next Interest Payment Date, plus an amount equal to any then-existing shortfall from prior periods; and

(2) commencing on that calendar month as shall precede the first Principal Payment Date by more than twelve (12) but less than thirteen (13) months, the Principal Account of the Junior Lien Obligations Fund, an amount equal to one-twelfth (1/12) of the Principal Amount of the Junior Lien Obligations due and payable on the next Principal Payment Date, including sinking fund installments, if applicable, plus an amount equal to any then-existing shortfall from prior periods;

In making such deposits, the Master Trustee shall reduce the amount of the Required Payments by (i) any investment earnings which have accrued in such accounts and (ii) any amounts which the Related Bond Trustee notifies it in writing are available for the Required Payments under the Related Bond Indenture;

~~(iv)~~ (v) to the Operating Reserve Fund, the Operating Reserve Required Balance;

~~(v)~~ (vi) to the Repair and Replacement Fund, an amount equal to one-twelfth (1/12) of the Repair and Replacement Requirement;

~~(vi)~~ (vii) upon receipt of written notice from any Related Bond Trustee of a deficiency, to the Related Bond Trustee 1/36th of the amount set forth in such notice for the purpose of replenishing any debt service reserve account established with respect to any Related Senior Lien Bonds, and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of such amounts with respect to Related Senior Lien Bonds ratably without any discrimination or preference;

(viii) upon receipt of written notice from any Related Bond Trustee of a deficiency, to the Related Bond Trustee 1/36th of the amount set forth in such notice for the purpose of replenishing any debt service reserve account established with respect to any Related Junior Lien Bonds, and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of such amounts with respect to Related Junior Lien Bonds ratably without any discrimination or preference;

~~(vii)~~ (ix) annually, commencing with the transfer in the month following the delivery of a Certificate to the Master Trustee required by subsections (b) and (c) of Section 3.07 that evidences compliance with the Rate Covenant and the Liquidity Requirement for the applicable period, along with a direction from the Obligated Group Representative as to the amounts to be transferred pursuant to the following subsections:

(A) to the Subordinated Management Fees Fund at the written direction of the Obligated Group Representative to the Master Trustee an amount set forth in such direction that is equal to the Annual Budget for the payment of

the Subordinated Management Fees, provided that such amount, when combined with the Senior Management Fees, shall not exceed 1.5% of the Gross Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported on by independent certified public accountants are available;

(B) all amounts necessary to replenish any debt service reserve account established with respect to any Related Senior Lien Bonds in full (i.e. the amount set forth in the written notice from a Related Bond Trustee with respect to a deficiency less any amounts paid to date pursuant to clause (~~vi~~vii) above), to the Related Bond Trustee for the purpose of replenishing any debt service reserve account established with respect to any Related Senior Lien Bonds;

(C) all amounts necessary to replenish any debt service reserve account established with respect to any Related Junior Lien Bonds in full (i.e. the amount set forth in the written notice from a Related Bond Trustee with respect to a deficiency less any amounts paid to date pursuant to clause (viii) above), to the Related Bond Trustee for the purpose of replenishing any debt service reserve account established with respect to any Related Junior Lien Bonds;

(~~C~~D) so long as any Senior Lien Obligations or Junior Lien Obligations are Outstanding, 75% of all funds remaining in the Revenue Fund after the deposits required pursuant to clauses (i) through (~~vi~~viii) above and clauses (A) ~~and~~through (~~B~~C) of this clause (~~vii~~ix), to the Redemption Account of the Senior Lien Obligations Fund and the Redemption Account of the Junior Lien Obligations Fund, pro rata; and

(~~D~~E) to the Surplus Fund, any remaining amounts on deposit in the Revenue Fund.

If the Obligated Group Representative shall fail to deliver a Certificate to the Master Trustee required by subsections (b) and (c) of Section 3.07 that evidences compliance with the Rate Covenant and the Liquidity Requirement for the applicable period, no transfers shall be made pursuant to this subsection (vii) until such time as a Certificate is provided to the Master Trustee that evidences compliance with the Rate Covenant and the Liquidity Requirement for a subsequent applicable period.

Section 4.04. Administrative Costs Fund.

(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Administrative Costs Fund," and within said fund one or more separate accounts as directed by the Obligated Group Representative from time to time, and administer said fund and such accounts as set forth in this Section 4.04.

(b) The Master Trustee shall deposit into the Administrative Costs Fund, as and when such amounts are received, (i) each month, the amount transferred from the Revenue Fund pursuant to Section 4.03(c)(ii) hereof, (ii) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit

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therein, and (iii) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) Investment earnings on amounts on deposit in the Administrative Costs Fund shall be retained therein.

(d) At the written direction of the Obligated Group Representative, which shall be in the form provided in Appendix A hereof, the Master Trustee shall transfer and apply from the Administrative Costs Fund the amount set forth in such written direction in the manner described therein for the payment of Administrative Fees; provided, however, that the Master Trustee shall transfer and apply from the Administrative Costs Fund all amounts owed to a Related Bond Issuer (i) upon the Master Trustee's receipt of written notice from a Related Bond Issuer stating that such amounts are due and payable notwithstanding whether or not such amounts are included in the written direction of the Obligated Group Representative, or (ii) as directed in a Related Supplement.

Section 4.05. Senior Lien Obligations Fund.

(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Senior Lien Obligations Fund," and within said fund one or more separate accounts as directed by the Obligated Group Representative from time to time, including an Interest Account, a Principal Account and a Redemption Account, and administer said fund and any such accounts as set forth in this Section 4.05.

(b) (i) The Master Trustee shall deposit into the Interest Account of the Senior Lien Obligations Fund, as and when such amounts are received, (A) each month, the amounts required to be deposited from the Revenue Fund into the Senior Lien Obligations Fund pursuant to Section 4.03(c)(iii)(1) hereof, (B) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (C) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(ii) The Master Trustee shall deposit into the Principal Account of the Senior Lien Obligations Fund, as and when such amounts are received, (A) each month, the amounts required to be deposited from the Revenue Fund into the Principal Account of the Senior Lien Obligations Fund pursuant to Section 4.03(c)(iii)(2) hereof, (B) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (C) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(iii) The Master Trustee shall deposit into the Redemption Account of the Senior Lien Obligations Fund, as and when such amounts are received, (A) each month, the amounts required to be deposited from the Revenue Fund into the Redemption Account of the Senior Lien Obligations Fund pursuant to Section 4.03(c)(xvi) hereof, (B) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (C) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) Investment earnings on amounts on deposit in the Senior Lien Obligations Fund shall be retained therein.

(d) Provided that no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice in accordance with Section 6.13 hereof, on the third (3rd) Business Day prior to each Payment Date, funds shall be transferred from the Interest Account of the Senior Lien Obligations Fund and the Principal Account of the Senior Lien Obligations Fund to the Related Bond Trustee to make Required Payments with respect to Senior Lien Obligations as such payments become due (whether by maturity, redemption, acceleration or otherwise), and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of Required Payments with respect to Senior Lien Obligations ratably without any discrimination or preference.

(e) Provided that that (i) no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice in accordance with Section 6.13 hereof, (ii) the Obligated Group Representative has delivered an Officer's Certificate to the Master Trustee evidencing compliance with the Liquidity Requirement and the Rate Covenant for the prior fiscal year in accordance with Section 3.07, and (iii) the Obligated Group Representative has delivered written notice to the Master Trustee and each Related Bond Trustee by May 31st of such year stating the amount on deposit in the Redemption Account of the Senior Lien Obligations Fund available to redeem the applicable Related Bonds as of such date, then, on the third Business Day prior to each July 1st, commencing with July 1, 2028, funds shall be transferred from the Redemption Account of the Senior Lien Obligations Fund, pro rata based on the then current outstanding principal amounts of the Related Bonds secured by a Senior Lien Obligation and as directed in writing by the Obligated Group Representative pursuant to clause (iii) above, to each Related Bond Trustee to redeem Related Bonds secured by Senior Lien Obligations.

Section 4.06. Operating Reserve Fund.

(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Operating Reserve Fund," and within said fund one or more separate accounts as directed by the Obligated Group from time to time, and administer said fund and any such accounts as set forth in this Section 4.06.

(b) The Master Trustee shall deposit into the Operating Reserve Fund, as and when such amounts are received, (i) an amount equal to $[_____]1,530,000 on the Master Trust Indenture Effective Date, (ii) each month, the amount required to be deposited from the Revenue Fund into the Operating Reserve Fund pursuant to Section 4.03(c)(iv) and Section 4.03(c)(viii) hereof, (iii) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (iv) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) (i) At the written direction of the Obligated Group Representative directing a disbursement and certifying that such disbursement is permitted by this Section 4.06, the Master Trustee shall transfer and apply amounts on deposit in the Operating Reserve Fund for the payment of Operating Expenses (excluding Asset Management Fees), then due and payable, to

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the extent there are not sufficient funds for the payment thereof in the Operating Account, and (ii) at the written direction of the Asset Manager or the NFP Manager directing a disbursement and certifying that such disbursement is permitted by this Section 4.06, the Master Trustee shall transfer and apply amounts on deposit in the Operating Reserve Fund for the payment of any Asset Management Fees that have accrued and are payable to the Asset Manager or the NFP Manager but have been unpaid for at least four (4) years. The Master Trustee may rely upon any such written direction in making a disbursement from the Operative Reserve Fund.

(d) On the second Business Day immediately preceding the first day of each calendar month, to the extent there are insufficient funds on deposit in the Repair and Replacement Fund to make any transfer required pursuant to Section 4.07(d) hereof (but only with respect to transfers required under Section 4.03(c)(i)-(iii) hereof), the Master Trustee shall withdraw from Operating Reserve Fund and transfer to the Revenue Fund an amount equal to the difference between the amount required to be transferred to the Revenue Fund pursuant to Section 4.07(d) hereof (but only with respect to transfers required under Section 4.03(c)(i)-(iii) hereof) and the amount, if any, actually transferred to the Revenue Fund pursuant to Section 4.07(d).

(e) Investment earnings on amounts on deposit in the Operating Reserve Fund shall be retained therein.

(f) On the last Business Day of the month prior to each Interest Payment Date, the Master Trustee shall transfer all amounts on deposit in the Operating Reserve Fund in excess of the Operating Reserve Required Balance to the Revenue Fund; provided that, the Master Trustee shall retain such additional amounts in the Operating Reserve Fund as indicated pursuant to the written direction of the Obligated Group Representative.

Section 4.07. Repair and Replacement Fund.

(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Repair and Replacement Fund," and shall establish in such Repair and Replacement Fund the following ~~four~~three (~~4~~3) accounts on the Master Trust Indenture Effective Date as well such additional separate accounts as directed by the Obligated Group from time to time after the Master Trust Indenture Effective Date, and administer said fund and any such accounts as set forth in this Section 4.07:

(i) Liana of Venice Account;

(ii) The Fairways at Naples Account; and

(iii) Sage Lake Senior Living Account.

(b) The Master Trustee shall deposit into the accounts of the Repair and Replacement Fund, as and when such amounts are received, (i) each month, the amount required to be deposited from the Revenue Fund into each respective account of the Repair and Replacement Fund pursuant to Section 4.03(c)(v) hereof, (ii) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit

therein, and (iii) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) Provided that no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice in accordance with Section 6.13 hereof, at the direction of Obligated Group Representative, which shall be in the form provided in Appendix B hereof, funds may be withdrawn from an account in the Repair and Replacement Fund for expenditures for the related Property associated with repairs and maintenance; building improvements; site preparation; onsite or offsite infrastructure improvements necessitated or required by the construction or development of such Property (including but not limited to, sidewalks and curbs, roadway improvements, traffic signals, intersection and turn-lane improvements, stormwater and sanitary sewers, drainage improvements, utility lines and pipes, environmental remediation and wetland mitigation); to pay operating costs or scheduled debt service as needed, to the extent funds are not otherwise available in the applicable Operating Account, the Operating Reserve Fund or the Surplus Fund.

(d) On the second Business Day immediately preceding the first day of each calendar month, to the extent there are insufficient funds on deposit in the ~~Subordinated Management Fees~~Junior Lien Obligations Fund to make any transfer required pursuant to Section 4.09(d) hereof (but only with respect to transfers required under Section 4.03(c)(i)-(iv) hereof), the Master Trustee shall withdraw, pro rata, from the accounts of the Repair and Replacement Fund and transfer to the Revenue Fund an amount equal to the difference between the amount required to be transferred to the Revenue Fund pursuant to Section 4.09(d) hereof (but only with respect to transfers required under Section 4.03(c)(i)-(iv) hereof) and the amount, if any, actually transferred to the Revenue Fund pursuant to Section 4.09(d).

(e) Investment earnings on amounts on deposit in the accounts of the Repair and Replacement Fund shall be retained in such accounts.

(f) On the last Business Day of the month prior to each Interest Payment Date, the Master Trustee shall transfer all amounts on deposit in the accounts of the Repair and Replacement Fund in excess of the applicable Repair and Replacement Requirement to the Revenue Fund; provided that, the Master Trustee shall retain such additional amounts in the accounts of the Repair and Replacement Fund as indicated pursuant to the written direction of the Obligated Group Representative.

(g) Upon the sale or other transfer of a Property to a Person who is not a Member of the Obligated Group in accordance with the terms hereof, the account in the Repair and Replacement Fund designated for such Property may be closed and the funds on deposit therein may be deposited in either (i) one or more of the other accounts in the Repair and Replacement Fund, or (ii) the Revenue Fund, as indicated pursuant to a written direction of the Obligated Group Representative.

Section 4.08. Reserved.

Section 4.09. ~~Reserved~~Junior Lien Obligations Fund.

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(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Junior Lien Obligations Fund," and within said fund one or more separate accounts as directed by the Obligated Group Representative from time to time, including an Interest Account, a Principal Account and a Redemption Account, and administer said fund and any such accounts as set forth in this Section 4.09.

(b) (i) The Master Trustee shall deposit into the Interest Account of the Junior Lien Obligations Fund, as and when such amounts are received, (A) each month and to the extent provided hereunder, the amounts required to be deposited from the Revenue Fund into the Junior Lien Obligations Fund pursuant to Section 4.03(c)(vii)(1) hereof, (B) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (C) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(ii) The Master Trustee shall deposit into the Principal Account of the Junior Lien Obligations Fund, as and when such amounts are received, (A) each month and to the extent provided hereunder, the amounts required to be deposited from the Revenue Fund into the Junior Lien Obligations Fund pursuant to Section 4.03(c)(vii)(2) hereof, (B) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (C) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(iii) The Master Trustee shall deposit into the Redemption Account of the Junior Lien Obligations Fund, as and when such amounts are received, (A) each month, the amounts required to be deposited from the Revenue Fund into the Redemption Account of the Junior Lien Obligations Fund pursuant to Section 4.03(c)(xvi) hereof, (B) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (C) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) Investment earnings on amounts on deposit in the Junior Lien Obligations Fund shall be retained therein.

(d) On the second Business Day immediately preceding the first day of each calendar month, to the extent there are insufficient funds on deposit in the Subordinated Management Fees Fund to make any transfer required pursuant to Section 4.11(d) hereof (but only with respect to transfers required under Section 4.03(c)(i)-(vi) hereof), the Master Trustee shall withdraw (i) first from the Principal Account of the Junior Lien Obligations Fund, and (ii) second from the Interest Account of the Junior Lien Obligations Fund and transfer to the Revenue Fund an amount equal to the difference between the amount required to be transferred to the Revenue Fund pursuant to Section 4.11(d) hereof (but only with respect to transfers required under Section 4.03(c)(i)-(vi) hereof) and the amount, if any, actually transferred to the Revenue Fund pursuant to Section 4.11(d).

(e) Provided that no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice in accordance with Section 6.13 hereof, on the third (3rd) Business Day prior to each Payment Date, funds shall be transferred from the Interest Account of the Junior Lien Obligations Fund and the Principal Account of the Junior Lien Obligations Fund to the Related Bond Trustee to make Required Payments with respect to Junior Lien Obligations as such payments become due (whether by maturity, redemption, acceleration or otherwise), and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of Required Payments with respect to Junior Lien Obligations ratably without any discrimination or preference.

(f) Provided that (i) no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice in accordance with Section 6.13 hereof, (ii) the Obligated Group Representative has delivered an Officer's Certificate to the Master Trustee evidencing compliance with the Liquidity Requirement and the Rate Covenant for the prior fiscal year in accordance with Section 3.07, and (iii) the Obligated Group Representative has delivered written notice to the Master Trustee and each Related Bond Trustee by May 31st of such year stating the amount on deposit in the Redemption Account of the Junior Lien Obligations Fund available to redeem the applicable Related Bonds as of such date, then, on the third Business Day prior to each July 15th, commencing with July 15, 20__, funds shall be transferred from the Redemption Account of the Junior Lien Obligations Fund, pro rata based on the then current outstanding principal amounts of the Related Bonds secured by a Junior Lien Obligation and as directed in writing by the Obligated Group Representative pursuant to clause (iii) above, to each Related Bond Trustee to redeem Related Bonds secured by Junior Lien Obligations.

Section 4.10. Reserved.

Section 4.11. Subordinated Management Fees Fund.

(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Subordinated Management Fees Fund," and within said fund one or more separate accounts as directed by the Obligated Group Representative from time to time, and administer said fund and any such accounts as set forth in this Section 4.11.

(b) The Master Trustee shall deposit into the Subordinated Management Fees Fund, as and when such amounts are received, (i) each month, the amounts required to be deposited from the Revenue Fund into the Subordinated Management Fees Fund pursuant to Section 4.03(c)(xiii) hereof, (ii) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (iii) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) At the written direction of the Obligated Group Representative, the Master Trustee shall transfer and apply amounts on deposit in the Subordinated Management Fees Fund for the payment of Subordinated Management Fees, then due and payable; provided, however, that the transfer of amounts from the Subordinated Management Fees Fund cannot be made until the Obligated Group Representative and the Asset Manager provides a written certification to the Master Trustee that (i) the Obligated Group expects to satisfy the Rate Covenant as of the end of the current Fiscal Year based on current year-to-date operations and (ii) confirming that the Operating Reserve Fund, the Repair and Replacement Fund and each debt service reserve fund

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established under a Related Bond Indenture is fully funded in accordance with the provisions of this Master Trust Indenture and each Related Bond Indenture.

(d) On the second Business Day immediately preceding the first day of each calendar month, to the extent there are insufficient funds on deposit in the ~~Junior~~Third Lien Obligations Fund to make any transfer required pursuant to Section 4.13(d) hereof (but only with respect to transfers required under Section 4.03(c)(i)-(xii) hereof), the Master Trustee shall withdraw from the Subordinated Management Fees Fund and transfer to the Revenue Fund an amount equal to the difference between the amount required to be transferred to the Revenue Fund pursuant to Section 4.13(d) hereof (but only with respect to transfers required under Section 4.03(c)(i)-(xii) hereof) and the amount, if any, actually transferred to the Revenue Fund pursuant to Section 4.13(d).

(e) Investment earnings on amounts on deposit in the Subordinated Management Fees Fund shall be retained therein.

(f) On the last Business Day of the month prior to each Interest Payment Date, the Master Trustee shall transfer all amounts on deposit in the Subordinated Management Fees Fund to the Revenue Fund; provided that, the Master Trustee shall retain such additional amounts in the Subordinated Management Fees Fund as indicated pursuant to the written direction of the Obligated Group Representative.

Section 4.12. Reserved.

Section 4.13. ~~Junior~~Third Lien Obligations Fund.

(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "~~Junior~~Third Lien Obligations Fund," and within said fund one or more separate accounts as directed by the Obligated Group Representative from time to time, including an Interest Account and a Principal Account, and administer said fund and any such accounts as set forth in this Section 4.13.

(b) (i) The Master Trustee shall deposit into the Interest Account of the ~~Junior~~Third Lien Obligations Fund, as and when such amounts are received, (A) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (B) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(ii) The Master Trustee shall deposit into the Principal Account of the ~~Junior~~Third Lien Obligations Fund, as and when such amounts are received, (A) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (B) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) Investment earnings on amounts on deposit in the ~~Junior~~Third Lien Obligations Fund shall be retained therein.

(d) On the second Business Day immediately preceding the first day of each calendar month, to the extent there are insufficient funds on deposit in the Surplus Fund to make any transfer required pursuant to Section 4.14(d) hereof (but only with respect to transfers required under Section 4.03(c)(i)-(xv) hereof), the Master Trustee shall withdraw (i) first from the Principal Account of the ~~Junior~~Third Lien Obligations Fund, and (ii) second from the Interest Account of the ~~Junior~~Third Lien Obligations Fund and transfer to the Revenue Fund an amount equal to the difference between the amount required to be transferred to the Revenue Fund pursuant to Section 4.14(d) hereof and the amount, if any, actually transferred to the Revenue Fund pursuant to Section 4.14(d).

(e) Provided that no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice in accordance with Section 6.13 hereof, on the third (3rd) Business Day prior to each Payment Date, funds shall be transferred from the Interest Account of the ~~Junior~~Third Lien Obligations Fund and the Principal Account of the ~~Junior~~Third Lien Obligations Fund to the Related Bond Trustee to make Required Payments with respect to ~~Junior~~Third Lien Obligations as such payments become due (whether by maturity, redemption, acceleration or otherwise), and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of Required Payments with respect to ~~Junior~~Third Lien Obligations ratably without any discrimination or preference; provided, however, no transfer pursuant to this subsection (e) shall be permitted unless and until the Obligated Group Representative and the Asset Manager provides a written certification to the Master Trustee that (i) no Event of Default exists under this Master Indenture or any other Obligated Group Document and no Default will exist under this Master Indenture or any other Obligated Group Document following such transfer and (ii) confirming that the Operating Reserve Fund, the Repair and Replacement Fund and each debt service reserve fund established under a Related Bond Indenture is fully funded in accordance with the provisions of this Master Trust Indenture and each Related Bond Indenture.

Section 4.14. Surplus Fund.

(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Surplus Fund," and within said fund one or more separate accounts as directed by the Obligated Group Representative from time to time, and administer said fund and such accounts as set forth in this Section 4.14.

(b) The Master Trustee shall deposit into the Surplus Fund, as and when such amounts are received, (i) each month, the amount transferred from the Revenue Fund pursuant to Section 4.03(c)(xviii) hereof, (ii) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (iii) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) Investment earnings on amounts on deposit in the Surplus Fund shall be retained therein.

(d) On the second Business Day immediately preceding the first day of each calendar month, the Master Trustee shall withdraw from the Surplus Fund and transfer to the Revenue

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Fund an amount equal to the difference between the amount on deposit in the Revenue Fund and the amount of all payments to be made therefrom described in Section 4.03(c)(i) through (xvi) coming due during such calendar month; provided that, the Master Trustee shall also at any time transfer such additional amounts to the Revenue Fund as indicated pursuant to the written direction of the Obligated Group.

(e) Provided that (i) no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice in accordance with Section 6.13 hereof and (ii) the Obligated Group Representative and the Asset Manager provides a written certification that (A) the Obligated Group expects to satisfy the Rate Covenant as of the end of the current Fiscal Year based on current year-to-date operations and (B) the Operating Reserve Fund, the Repair and Replacement Fund and each debt service reserve fund established under a Related Bond Indenture is fully funded in accordance with the provisions of this Master Trust Indenture and each Related Bond Indenture, at the direction of Obligated Group Representative and the Asset Manager, which shall be in the form provided in Appendix D hereof and signed by the Obligated Group Representative and the Asset Manager, funds may be (i) withdrawn from the Surplus Fund as directed by the Obligated Group Representative and the Asset Manager for use in supporting the organization and mission of the Borrower and the other Members of the Obligated Group, (ii) transferred to the Principal Account of the Senior Lien Obligations Funds ~~or~~, the Junior Lien Obligations Fund or the Third Lien Obligations Fund for the redemption of Senior Lien Obligations ~~or~~, Junior Lien Obligations or Third Lien Obligations, or (iii) transferred to the Subordinated Management Fees Fund and used to pay any accrued and unpaid Subordinated Management Fees, in each case, commencing on the Business Day after each Interest Payment Date and continuing through (and including) the ninetieth day thereafter. For the avoidance of doubt, funds may only be withdrawn or transferred from the Surplus Fund during the period commencing one Business Day after each Interest Payment Date and continuing though (and including) the ninetieth day thereafter.

Section 4.15. Investment of Moneys.

(a) Except as otherwise provided herein or in a Related Supplemental, all moneys in any of the funds and accounts established pursuant to this Master Trust Indenture and held by the Master Trustee shall be invested by the Master Trustee at the written direction of the Obligated Group Representative solely in Permitted Investments maturing not later than the date on which it is estimated that such moneys will be required for the purposes specified in this Master Trust Indenture. Permitted Investments purchased under any investment agreement may be deemed to mature on the date or dates on which the Master Trustee may redeem such Permitted Investments under such agreement.

(b) The Master Trustee may sell, or present for redemption, any Permitted Investments so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such Investment Security is credited, and, subject to the provisions of this Master Trust Indenture, the Master Trustee shall not be liable or responsible for any loss resulting from any investment made in accordance with provisions of this Master Trust Indenture.

(c) Any Permitted Investments that are registrable securities shall be registered in the name of the Master Trustee.

(d) If the Master Trustee has not received written investment directions from the Obligated Group Representative with respect to any moneys, such moneys shall be deposited in a Permitted Investment satisfying the conditions of (a)(v) of the definition of Permitted Investments, and, to the extent such account is no longer available, such moneys shall be held by the Master Trustee uninvested. All income earned on investments of moneys in the funds and accounts shall be treated as income of the Obligated Group Representative for federal income tax purposes. Permitted Investments shall be marked to market no less often than two times annually, on the last Business Day of the month prior to each Interest Payment Date.

Section 4.16. Shortfalls. For the avoidance of doubt, this Section 4.16 summarizes the order of priority of funds to be utilized by the Master Trustee in the event of a shortfall in the Revenue Fund as set forth in this Article IV. In the event of a shortfall in the Revenue Fund to make the deposits pursuant to Section 4.03(c)(i) through (~~xv~~viii) hereof, the Master Trustee shall take the following actions in the following order, as necessary: (1) transfer funds from the Surplus Fund pursuant to Section 4.14(d) hereof, (2) transfer funds from the ~~Junior~~Third Lien Obligations Fund pursuant to Section 4.13(d) hereof, (3) transfer funds from the Subordinated Management Fees Fund pursuant to Section 4.11(d) hereof, (4) transfer funds from the Junior Lien Obligations Fund pursuant to Section 4.09(d), (5) transfer funds from the Repair and Replacement Fund pursuant to Section 4.07(d), and (~~5~~6) transfer funds from the Operating Reserve Fund pursuant to Section 4.06(d).

Notwithstanding any other provision of this Master Indenture to the contrary relating to the timing for any transfers, deposits and withdrawals from any fund or account hereunder, at any time there is a shortfall in the amount of funds on deposit in any fund or account hereunder, on the Business Day prior to the day funds are needed to be applied from a fund or account, the Master Trustee shall be obligated to recompute and apply any funds available hereunder as if the directions for application were as of such date (i.e., if additional funds are deposited into the Revenue Fund since the most recent application of funds from the Revenue Fund and funds are needed to be applied in order to apply funds to fund any needed payment or deposit, the Master Trustee shall apply such funds).

ARTICLE V

ADDITIONAL COVENANTS, REPRESENTATIONS AND WARRANTIES OF THE OBLIGATED GROUP AND THE OBLIGATED GROUP REPRESENTATIVE

Section 5.01. Limitations on Additional Indebtedness. So long as any Obligations are outstanding, the Obligated Group will not incur any Additional Indebtedness (whether or not incurred through the issuance of Additional Obligations) other than:

(a) Funded Indebtedness, if prior to incurrence thereof or, if such Funded Indebtedness was incurred in accordance with another subsection of this Section 5.01 and any

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Member wishes to have such Indebtedness classified as having been issued under this subsection (a), prior to such classification, there is delivered to the Master Trustee a Sufficiency Certificate.

(b) Funded Indebtedness for the purpose of refunding (whether in advance or otherwise) any outstanding Funded Indebtedness if prior to the incurrence thereof an Officer's Certificate of a Member is delivered to the Master Trustee stating that, taking into account the issuance of the proposed Funded Indebtedness and the application of the proceeds thereof and any other funds available to be applied to such refunding, the Maximum Annual Debt Service Requirement of the Obligated Group will not be increased by more than 10%, provided that if only a portion of any outstanding Funded Indebtedness is being refunded, such Officer's Certificate shall state that under such assumptions the Maximum Annual Debt Service Requirement of the Obligated Group will not be increased.

(c) Short Term Indebtedness (other than accounts payable under subsection (g) hereof), in a total principal amount which at the time incurred does not, together with the principal amount of all other such Short Term Indebtedness of the Obligated Group then outstanding under this subsection (c) but excluding the principal payable on all Funded Indebtedness during the next succeeding 12 months and also excluding such principal to the extent that amounts are on deposit in an irrevocable escrow and such amounts (including, where appropriate, the earnings or other increments to accrue thereon) are required to be applied to pay such principal and such amounts so required to be applied are sufficient to pay such principal, exceed 10% of the Gross Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported upon by independent certified public accountants are available; provided, however, that for a period of twenty (20) consecutive calendar days in each Fiscal Year the total amount of such Short Term Indebtedness of the Obligated Group outstanding under this subsection (c) shall be not more than 5% of the Revenues of the Obligated Group during the preceding Fiscal Year plus such additional amount as the Obligated Group Representative certifies in an Officer's Certificate is (i) attributable to Short Term Indebtedness incurred to offset a temporary delay in the receipt of funds due from third party payors, and (ii) in the minimum amount reasonably practicable taking into account such delay. For the purposes of this subsection, Short Term Indebtedness shall not include overdrafts to banks to the extent there are immediately available funds of the Obligated Group sufficient to pay such overdrafts and such overdrafts are incurred and corrected in the normal course of business.

(d) Balloon Indebtedness if:

(1) (A) there is in effect at the time such Balloon Indebtedness is incurred a binding commitment (including without limitation letters or lines of credit or insurance) which may be subject only to commercially reasonable contingencies by a financial institution or bond insurer or surety generally regarded as responsible, to provide financing sufficient to pay the principal amount of such Balloon Indebtedness coming due in each consecutive 12 month period in which 25% or more of the original principal amount of such Balloon Indebtedness comes due; and (B) the conditions set forth in subsection (a) above are met for any Fiscal Year in which 25% or more of the original principal amount of such Balloon Indebtedness comes due when it is assumed that (1) the portion of Balloon Indebtedness coming due in such Fiscal Year matures over 30 years from the date of issuance of the Balloon Indebtedness, bears interest on the unpaid

balance at the Projected Rate and is payable on a level annual debt service basis over a period of no more than 30 years, or (2) the portion of Balloon Indebtedness coming due in such Fiscal Year matures according to its actual principal amortization schedule, bears interest on the unpaid balance at the Projected Rate, but this clause (2) shall only be used if the amortization of all Indebtedness of the Obligated Group outstanding, when the Balloon Indebtedness debt service being calculated is calculated according to this subsection (d), varies no more 10% per year; or

(2) the aggregate principal amount of all Balloon Indebtedness issued pursuant to this subsection (d) does not exceed 10% of the Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported upon by independent certified public accountants are available, and the total amount of all Indebtedness outstanding which was issued pursuant to the provisions of this subsection (d)(2), and subsections (c), (e)(3), (k) and (m) shall not exceed 15% of the Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported on by independent certified public accountants are available; or

(3) the Balloon Indebtedness to be incurred has a remaining term of five years or greater beginning in such Fiscal Year, and

(A) the Member incurring such Balloon Indebtedness establishes in an Officer's Certificate filed with the Master Trustee an amortization schedule for such Balloon Indebtedness, which amortization schedule shall provide for payments of principal and interest for each Fiscal Year that are not less than the amounts required to make any actual payments required to be made in such Fiscal Year by the terms of such Balloon Indebtedness;

(B) such Member agrees in such Officer's Certificate to deposit each Fiscal Year with a bank or trust company (pursuant to an agreement between such Member and such bank or trust company) the amount of principal shown on such amortization schedule net of any amount of principal actually paid on such Balloon Indebtedness during such Fiscal Year (other than from amounts on deposit with such bank or trust company) which deposit shall be made prior to any such required actual payment during such Fiscal Year if the amounts so on deposit are intended to be the source of such actual payments; and

(C) the conditions described in subsection (a) above are met with respect to such Balloon Indebtedness when it is assumed that such Balloon Indebtedness is actually payable in accordance with such amortization schedule.

(e) Put Indebtedness if:

(1) the amount of such Put Indebtedness does not exceed 10% of the Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported upon by independent certified public accountants are available and the conditions set forth in subsection (a) above are met with respect to such Put Indebtedness when it is assumed that (A) such Put Indebtedness bears interest at the

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Projected Rate and is payable on a level annual debt service basis over a period of no more than 30 years commencing with the next succeeding Put Date, or (B) such Put Indebtedness bears interest at the Projected Rate and is payable according to its actual principal amortization schedule, but this subsection (B) shall only be used if the debt service of all Indebtedness of the Obligated Group outstanding, when the Put Indebtedness debt service being calculated is calculated according to this subsection (B), varies no more than 10% per year;

(2) (A) there is in effect at any time such Put Indebtedness is incurred a binding commitment (including without limitation letters or lines of credit or insurance) which may be subject only to commercially reasonable contingencies by a financial institution or bond insurer or surety generally regarded as responsible, to provide financing sufficient to pay the principal amount of such Put Indebtedness on any Put Date, and (B) the conditions set forth in subsection (a) are met for any Fiscal Year in which 25% or more of the original principal amount of such Put Indebtedness may come due when it is assumed that (1) the portion of Put Indebtedness which may come due in such Fiscal Year matures over 30 years from the date of issuance of the Put Indebtedness, bears interest on the unpaid balance at the Projected Rate and is payable on a level annual debt service basis over a period of no more than 30 years, or (2) the portion of Put Indebtedness which may come due in such Fiscal Year matures according to its actual principal amortization schedule, bears interest on the unpaid balance at the Projected Rate, but this subsection (2) shall only be used if the amortization of all Indebtedness of the Obligated Group outstanding, when the Balloon Indebtedness debt service being calculated is calculated according to this subsection (2), varies more than 10% per year; or

(3) the aggregate principal amount of all Put Indebtedness issued pursuant to this subsection (f) does not exceed 10% of the Gross Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported on by independent certified public accountants are available, and the total amount of all Indebtedness outstanding which was issued pursuant to the provisions of this subsection (3), and subsections (c), (d)(2), (k) and (m) shall not exceed 15% of the Gross Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported on by independent certified public accountants are available.

(f) Liabilities for contributions to self-insurance or shared or pooled risk insurance programs required or permitted to be maintained under this Master Trust Indenture.

(g) Indebtedness consisting of accounts payable incurred in the ordinary course of business or other Indebtedness not incurred or assumed primarily to assure the repayment of money borrowed or credit extended which Indebtedness is incurred in the ordinary course of business.

(h) Indebtedness incurred in connection with a sale or pledge of accounts receivable with or without recourse by any Member consisting of an obligation to repurchase all or a portion of such accounts receivable upon certain conditions, provided that (i) the principal amount of such Indebtedness permitted hereby shall not exceed the aggregate sale price of such

accounts receivable received by such Member, and (ii) the proceeds of such Indebtedness shall be considered Gross Revenues and shall be deposited into the Revenue Fund.

(i) Non-Recourse Indebtedness, without limit.

(j) Indebtedness secured by Property described in subsection (i) of the definition of Permitted Lien.

(k) Subordinated Indebtedness, without limit.

(l) Commitment Indebtedness, without limit.

(m) Indebtedness the principal amount of which at the time incurred, together with the aggregate principal amount of all other Indebtedness then outstanding which was issued pursuant to the provisions of this subsection (m) and which has not been subsequently reclassified as having been issued under another subsection of this Section 5.01, does not exceed 10% of the Gross Revenues of the Obligated Group for the latest preceding Fiscal Year for which financial statements reported upon by independent certified public accountants are available; provided, however, that the total amount of all Indebtedness outstanding which was issued pursuant to the provisions of subsections (c), (d)(2), (e)(3), (k) and this subsection (m) shall not exceed 15% of the Gross Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported on by independent certified public accountants are available.

(n) Indebtedness in the form of Permitted Investments (to the extent the same constitute Indebtedness), without limit.

It is agreed and understood by the parties hereto that various types of Indebtedness may be incurred under any of the above referenced subsections with respect to which the tests set forth in such subsection are met and need not be incurred under only a subsection specifically referring to such type of Indebtedness (e.g., Balloon Indebtedness and Put Indebtedness may be incurred under subsection (a) above if the tests therein are satisfied).

Each Member covenants that Indebtedness of the type permitted to be incurred under subsection (g) above will not be allowed to become overdue for a period in excess of that which is in the ordinary course of business, based on applicable industry standards and taking into consideration the size and type of the facility, without being contested in good faith and by appropriate proceedings.

Each Member covenants that prior to, or as soon as reasonably practicable after, the incurrence of Indebtedness by such Member for money borrowed or credit extended, or the equivalent thereof, after the Master Trust Indenture Effective Date, it will deliver to the Master Trustee an Officer's Certificate which identifies the Indebtedness incurred, identifies the subsection of this Section 5.01 pursuant to which such Indebtedness was incurred, demonstrates compliance with the provisions of such subsection and attaches a copy of the instrument evidencing such Indebtedness; provided, however, that this requirement shall not apply to Indebtedness incurred pursuant to subsection (f), (g) or (n) of this Section 5.01.

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Each Member agrees that, prior to incurring Additional Indebtedness for money borrowed from or credit extended by entities other than issuers of Related Bonds, sellers of real or personal property for purchase money debt, lessors of such property or banks or other institutional lenders, it will provide the Master Trustee with an Opinion of Counsel to the effect that, to such counsel's knowledge, such Member has complied in all material respects with all applicable state and federal laws regarding the sale of securities in connection with the incurrence of such Additional Indebtedness (including the issuance of any securities or other evidences of indebtedness in connection therewith) and such counsel has no reason to believe that a right of rescission under such laws exists on the part of the entities to which such Additional Indebtedness is to be incurred.

Section 5.02. Enforcement of Residency Agreements and Modification of Management Agreements.The Obligated Group shall diligently enforce, and take all reasonable steps, actions and proceedings necessary for the enforcement of, all terms, covenants and conditions of each Residency Agreement to which it is a party, subject to customary industry practices, including the prompt collection of Gross Revenues.

(b) The Obligated Group may amend or modify, or consent to the amendment or modification of any agreement for asset or property management with respect to Property to which it is a party, including without limitation the Management Agreements and the Asset Management Agreements, in any manner that the Obligated Group deems appropriate provided that an Officer's Certificate shall be delivered to the Master Trustee stating that the amendment or modification of such agreement contemplated shall not have a material adverse effect on the Holders of Obligations then Outstanding.

Section 5.03. Covenant of the Obligated Group Representative. The Obligated Group Representative covenants and agrees that it will not create, assume or suffer to exist any Lien upon (i) the membership interests of the Obligated Group Representative in the other Members of the Obligated Group, or (ii) any rents, money, property or accounts of the Obligated Group, except to the extent permitted hereunder.

Section 5.04. Consolidation, Merger, Sale or Conveyance. Except as provided in Section 3.05, the Obligated Group covenants and agrees not to merge or consolidate with, or sell or convey all or substantially all of its Property to any Person or enter into any other transaction having the effect of a reorganization, liquidation or dissolution.

Section 5.05. Inspection of Books. The Master Trustee shall have the right, but not the obligation, upon reasonable notice, during business hours, to examine and audit any and all of the Obligated Group's records or accounts pertaining to the Obligations, the Required Payments, the Gross Revenues, the Related Bond Indentures, the Related Loan Agreements, the Related Supplements and this Master Trust Indenture.

Section 5.06. Reports and Information. At the request of the Master Trustee, the Obligated Group shall furnish to the Master Trustee such information as may be reasonably requested in writing from time to time relative to compliance by the Obligated Group with the provisions of this Master Trust Indenture including, without limitation, financial statements. The Obligated Group hereby agrees to deliver a copy of its audited financial statements to the Master

Trustee not later than the last day of the fifth (5th) month following the end of each fiscal year of the Obligated Group, commencing with the fiscal year ending December 31, 2025.

Section 5.07. Notice. Upon obtaining Actual Knowledge of an event of default under the Obligated Group Documents, the Obligated Group Representative hereby agrees promptly to provide to the Master Trustee notice of such event of default (such notice to include a description of the nature of such event and what steps are being taken to remedy such event of default).

Section 5.08. Books and Records. The Obligated Group covenants and agrees that it will maintain, in accordance with Generally Accepted Accounting Principles, proper records and books of accounts in which complete and correct entries shall be made (said books shall be subject to the inspection of the Master Trustee during regular business hours after reasonable notice).

Section 5.09. Number of Units in the Properties. The Obligated Group covenants and agrees that it will promptly update Appendix ~~F~~E attached hereto (Units in the Properties) whenever the number of units in the Properties changes for any reason (including, without limitation, as the result of the acquisition or disposition of a Property).

Section 5.10. Enforcement of Material Covenants. The Obligated Group shall diligently enforce, and take all commercially reasonable steps, actions and proceedings necessary for the enforcement of, all material terms, covenants and conditions of each Project Document to which it is a party, including the prompt collection of Gross Revenues.

Section 5.11. Compliance with Obligations under Project Documents; Termination of Management Agreements and Asset Management Agreements. The Obligated Group shall comply with all obligations under the Project Documents in all material respects, and at all times shall cause Management Agreements and Asset Management Agreements to be in effect covering each Property. The Obligated Group may not terminate a Management Agreement or an Asset Management Agreement for convenience unless the Obligated Group shall also cause a new Management Agreement or a new Asset Management Agreement covering such Property to be effective as of the date of such termination. Notwithstanding the above, no replacement Management Agreement or Asset Management Agreement, as applicable, will be required so long as no Event of Default has occurred and is continuing and the Obligated Group Representative delivers a report from an Independent Consultant concluding that the Obligated Group has the capability to self-manage the Property.

Section 5.12. Good Standing. The Obligated Group is and shall remain duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized, has full legal right, power and authority to enter into the Obligated Group Documents and the Project Documents to which it is a party, and to carry out all of its obligations under and consummate all transactions contemplated by the Obligated Group Documents and the Project Documents to which it is a party, and by proper corporate action has duly authorized the execution, delivery and performance of the Obligated Group Documents and the Project Documents to which it is a party. The Obligated Group has and shall maintain all licenses necessary to carry on its business and no such licenses have been revoked or suspended.

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Section 5.13. Compliance with Insurance Requirements. The Obligated Group shall comply with all insurance requirements under the Project Documents and the Obligated Group Documents.

Section 5.14. Maintenance of Accounts. The Obligated Group shall maintain or cause to be maintained each of the funds and accounts in accordance with the Obligated Group Documents.

Section 5.15. Tax-Exempt Status. The Obligated Group shall comply with the requirements of each tax certificate or arbitrage agreement for any Related Bonds that are Tax-Exempt Bonds and maintain its status as an organization exempt from federal income tax under Section 501(a) of the Code due to being described in Section 501(c)(3) of the Code, or as a single member limited liability company that is disregarded for federal tax purposes, whose sole member is an organization exempt from federal income tax under Section 501(a) of the Code due to being described in Section 501(c)(3) of the Code.

Section 5.16. Engaging Auditors. The Obligated Group shall engage an Accountant to prepare its annual audited financial statements.

Section 5.17. Delivery of Project Documents. The Obligated Group shall deliver to the Master Trustee copies of all Project Documents entered into after the Master Trust Indenture Effective Date.

Section 5.18. Further Assurances. The Obligated Group shall cooperate with reasonable written requests from the Master Trustee for further assurances with respect to the security interest in the Pledged Assets.

Section 5.19. Compliance with Obligated Group Documents, Governmental Approvals, and Industry Standards. The Obligated Group shall take all necessary actions to cause each Property to be owned or leased, constructed, and operated in all material respects in accordance with (a) the Obligated Group Documents, (b) material governmental approvals, and (c) prudent industry standards.

Section 5.20. Notices to the Master Trustee. The Obligated Group Representative and the Obligated Group shall provide the Master Trustee with written notice within five (5) Business Days after the Obligated Group Representative or the Obligated Group obtains Actual Knowledge of any of the following:

(a) Any Default or Event of Default;

(b) Casualty, loss or damage, or condemnation or eminent domain taking, with respect to the Property in excess of $2,000,000 in value or any series of such events or circumstances during any twelve-month period in excess of $5,000,000 in value in the aggregate.

(c) Litigation or similar proceeding involving an amount in excess of $2,000,000 that would reasonably be expected to have a material adverse effect on the operations or financial condition of the Obligated Group taken as a whole or involving injunctive or declaratory relief.

(d) Written dispute, litigation, investigation or proceeding between any governmental authority and the Obligated Group or any other party to a Project Document that would reasonably be expected to have a material adverse effect on the operations or financial condition of the Obligated Group taken as a whole or would result in the closure or suspension of operations at any Property.

(e) Termination or cancellation of, or amendment to, any of the Project Documents.

(f) Any written notice of the occurrence of any event giving rise to a claim in an amount in excess of $1,000,000 under any insurance policy.

(g) Any single disposition of the Obligated Group's assets or properties with a value of more than $1,000,000 or any disposition of the Obligated Group's assets or properties that, when combined with dispositions occurring within the past 12 months, is more than $5,000,000 in the aggregate.

(h) Any ERISA Event or any other event or circumstance that would reasonably be expected to result in a material liability of the Obligated Group under ERISA or under the Code with respect to any Plan, Multiemployer Plan or post-retirement welfare benefit plan.

(i) Any lien or claim known to the Obligated Group against the Pledged Assets, except for Permitted Liens.

(j) Any written notice indicating that any material governmental approval with respect to any Property will not be granted or renewed or will be granted or renewed on materially more burdensome terms.

(k) Any event or circumstance affecting any of the parties to the Project Documents that would reasonably be expected to materially impair the ability of such party to perform its obligations under the related Project Document.

(l) Any force majeure event (together with a description of such event) reasonably expected to exceed ten (10) consecutive days if it would reasonably if it would reasonably be expected to have a material adverse effect on the operation of any Property.

(m) Any cancellation or material change in the terms, coverage or amounts of any material insurance policy, unless such cancelled insurance policy is reinstated prior to expiration of the relevant insurance policy.

(n) Receipt from applicable governmental authorities of written allegations of non-compliance with environmental laws or approvals that would reasonably be expected to result in losses to the Obligated Group in excess of $2,000,000.

(o) Any other event that would reasonably be expected to have a material adverse effect on the operations or financial condition of the Obligated Group (together with a description of any proposed action).

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Section 5.21. Notices to be Delivered under the Project Documents. The Obligated Group Representative shall deliver to the Master Trustee copies of all material written notices under a Project Document other than the documents delivered in the ordinary course of administering the Project Documents. The Master Trustee shall hold any such documents as a repository for the benefit of the Holders but shall have no obligation to review or interpret any such documents.

Section 5.22. Delivery of Governmental Approvals. The Obligated Group Representative shall deliver to the Master Trustee copies of all material governmental approvals (that were not previously delivered). The Master Trustee shall hold any such documents as a repository for the benefit of the Holders but shall have no obligation to review or interpret any such documents.

Section 5.23. Absence of Liens. The Obligated Group covenants and agrees that there are no liens, and that it will not suffer to exist any liens, on any of its assets or revenues, except for Permitted Liens.

Section 5.24. Business Activities. The Obligated Group covenants and agrees that it shall not conduct business activities other than those related to the Property and the operation of the Obligated Group's business on Property, and that the Obligated Group has no other subsidiaries.

Section 5.25. No Acquisition of Equity Interests. Except as otherwise permitted herein in Section 3.13, the Obligated Group agrees not to acquire any equity interest in any Person.

Section 5.26. Reserved.

Section 5.27. Agreements with Affiliates. The Obligated Group covenants and agrees that it shall not enter into any agreement with an affiliate, unless entered into in the ordinary course of business on arm's length terms.

Section 5.28. Investment in Equity or Debt Securities. The Obligated Group covenants and agrees that it shall not invest or cause to be invested any money held in any fund or account created under any Obligated Group Document in any instruments other than Permitted Investments.

Section 5.29. Tax-Exempt Debt. The Obligated Group covenants and agrees that it shall not take any action that would jeopardize the tax-exempt status of the Tax-Exempt Bonds.

Section 5.30. Retirement Plans. The Obligated Group covenants and agrees that it shall not establish or incur any liability under a Plan, Multiemployer Plan or post-retirement welfare plan.

Section 5.31. Change in Fiscal Year. The Obligated Group covenants and agrees that it shall not make any change to its Fiscal Year or accounting other than as permitted or required by Generally Accepted Accounting Principles. If the Obligated Group changes its Fiscal Year, the Obligated Group Representative shall provide notice of such change on EMMA.

Section 5.32. No Margin Stock and Compliance with Regulations. The Obligated Group hereby covenants and agrees that it shall not use proceeds of Related Bonds to make any purchases of margin stock or carry margin stock. The Obligated Group hereby represents and warrants that it is in compliance with Regulations T (Code of Federal Regulations, Title 12, Chapter II, Subchapter A, Part 220), U (Code of Federal Regulations, Title 12, Chapter II, Subchapter A, Part 221), and X (Code of Federal Regulations, Title 12, Chapter II, Subchapter A, Part 224).

Section 5.33. No Dividends or Distributions. The Obligated Group covenants and agrees not to make or pay any dividends or distributions except as permitted by the Obligated Group Documents.

Section 5.34. Abandonment of Property. The Obligated Group covenants and agrees that it shall not abandon any of the Property.

Section 5.35. Compliance with Laws. The Obligated Group covenants and agrees that it shall not violate any government rule, government approval, or other law, including environmental laws and anti-terrorism and anti-money laundering laws, other than noncompliance which would not reasonably be expected to have a material adverse effect on the Obligated Group taken as a whole.

Section 5.36. Substitutions under Project Documents. The Obligated Group covenants and agrees that it shall not grant any permission to any counterparty of a Project Document to, diminish or cancel any security, letter of credit or guarantee supporting such counterparty's obligations thereunder unless it replaces such security, letter of credit or guarantee with an obligation of equivalent value.

Section 5.37. Reserved.

Section 5.38. Enforceability of Obligated Group Documents and Project Documents. The Obligated Group covenants and agrees that, assuming due authorization, execution and delivery by the other parties thereto, each of the Obligated Group Documents and Project Documents to which the Obligated Group is a party (except any Bond Purchase Agreement relating to Related Bonds), shall constitute the legal, valid and binding agreements of the Obligated Group enforceable against the Obligated Group in accordance with their respective terms.

Section 5.39. No Litigation. The Obligated Group hereby represents and warrants that as of the Master Trust Indenture Effective Date, and covenants and agrees that on the date of issuance of any Obligations it shall deliver a Certificate to the Master Trustee substantially to the effect that, there is no action, suit, proceeding, inquiry or investigation, pending, or to the Actual Knowledge of the Obligated Group, threatened, against or affecting the Obligated Group or the Property, properties or operations of the Obligated Group which, if determined adversely to the Obligated Group or its interests, would be reasonably expected to have a material adverse effect on the operations or financial condition of the Obligated Group taken as a whole or upon the consummation of the transactions contemplated hereby.

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Section 5.40. Valid Title. The Obligated Group covenants and agrees that it shall have and maintain good, valid and sufficient title to all assets, rights or interests necessary to maintain and operate the Property free and clear of all liens except Permitted Liens.

Section 5.41. Governmental Approvals. The Obligated Group covenants and agrees that it shall receive all material governmental approvals to acquire the Project required to be obtained, and that all such governmental approvals shall be in full force and effect, free from conditions or requirements that would reasonably be expected to have a material adverse effect on the operations or financial condition of the Obligated Group and that, with respect to any governmental approvals obtained or required to be obtained prior to the date of issuance of any Obligations, such approvals shall be final and non-appealable.

Section 5.42. No Default or Event of Default. The Obligated Group covenants and agrees that it shall not cause to exist any Default or Event of Default under this Master Trust Indenture.

Section 5.43. No ERISA Event. The Obligated Group covenants and agrees that no ERISA Event shall occur and that no Plan, Multiemployer Plan, or post-retirement welfare plans shall be sponsored by the Obligated Group.

Section 5.44. No Violation of Government Rules or Contractual Obligations. The Obligated Group covenants and agrees that it shall not violate any material governmental rule or contractual obligation.

Section 5.45. No Subsidiaries. Other than as permitted in Section 3.13, the Obligated Group covenants and agrees that it shall not create or cause to be created any other subsidiaries.

Section 5.46. Not an Investment Company. The Obligated Group is not and shall not be an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

Section 5.47. [Reserved].

Section 5.48. No Indebtedness. The Obligated Group covenants and agrees that it shall not incur any Indebtedness other than Indebtedness permitted to be incurred pursuant to Section 5.01 hereof.

Section 5.49. No Insolvency. The Obligated Group covenants and agrees that it shall not become insolvent.

Section 5.50. Name Change; Place of Business. The Obligated Group covenants and agrees that it shall not use any trade name, and shall not do business under any name other than as set forth on Appendix ~~E~~D attached hereto. The principal place of business of the Obligated Group is its primary address for notices as set forth in Section 10.09 hereof (as such address may be amended from time to time in accordance herewith), and the Obligated Group shall not maintain any other principal place of business.

Section 5.51. No Force Majeure. The Obligated Group hereby represents and warrants that as of the Master Trust Indenture Effective Date, and covenants and agrees that on the date of issuance of any Obligations it shall deliver a Certificate to the Master Trustee substantially to the effect that, no force majeure event currently exists which has continued for such a period of time that would reasonably be expected to permit termination of a Project Document or have a material adverse effect on the financial condition of the Obligated Group taken as a whole.

Section 5.52. Direct and Unconditional Obligations to Pay Debt Service. The Obligated Group covenants and agrees that all obligations to pay debt service with respect to Related Senior Lien Bonds under the Obligated Group Documents shall be direct and unconditional obligations of the Obligated Group that rank at least *pari passu* with all Senior Lien Obligations. The Obligated Group covenants and agrees that all obligations to pay debt service with respect to Related Junior Lien Bonds under the Obligated Group Documents shall be direct and unconditional obligations of the Obligated Group that rank at least *pari passu* with all Junior Lien Obligations. The Obligated Group covenants and agrees that all obligations to pay debt service with respect to Related Third Lien Bonds under the Obligated Group Documents shall be direct and unconditional obligations of the Obligated Group that rank at least *pari passu* with all Third Lien Obligations.

Section 5.53. No Material Casualty or Condemnation. The Obligated Group hereby represents and warrants that as of the Master Trust Indenture Effective Date, and covenants and agrees that on the date of issuance of any Obligations it shall deliver a Certificate to the Master Trustee substantially to the effect that, no casualty or condemnation of all or part of the Property has occurred or is threatened or pending that would reasonably be expected to have a material adverse effect on the financial condition of the Obligated Group taken as a whole.

Section 5.54. Valid Liens. The Obligated Group covenants and agrees that the liens created by the Obligated Group Documents and the Project Documents to which it is a party shall be valid liens.

Section 5.55. Accuracy of Representations and Warranties. The Obligated Group hereby represents and warrants that the representations and warranties made by the Obligated Group in this Article V and in the Obligated Group Documents and the Project Documents to which it is a party are complete and accurate.

Section 5.56. Adequate Insurance. The Obligated Group hereby represents and warrants that the insurance required by Section 3.04 hereof is adequate to insure the Obligated Group and the Properties, and covenants and agrees that all premiums with respect thereto shall be paid.

ARTICLE VI

DEFAULTS

Section 6.01. Events of Default. Event of Default, as used herein, means any of the following events:

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(a) Failure on the part of the Obligated Group to make due and punctual payment of any Required Payment on an Obligation.

(b) Failure on the part of the Obligated Group to provide the insurance required by Section 3.04 hereof.

(c) Failure on the part of the Obligated Group to observe and perform any covenant or agreement under this Master Trust Indenture including covenants or agreements contained in any Related Supplement or Obligation (other than as referred to in Section 6.01(a) or (b) above) or failure on the part of the Obligated Group to observe and perform any covenant or agreement under any other Obligated Group Document for a period of sixty (60) days after the date on which written notice of such failure specifying such default and requiring the same to be remedied, shall have been given to the Obligated Group Representative by the Master Trustee or to the Obligated Group Representative and the Master Trustee by the Controlling Party except that, in each case, if such failure can be remedied but not within such 60-day period, such failure shall not become an Event of Default for so long as the Obligated Group or the Obligated Group Representative shall commence such cure within such 60-day period and diligently proceeds to remedy the same within one hundred and eighty (180) days of the commencement of such cure.

(d) A court having jurisdiction shall enter a decree or order for relief in respect of the Obligated Group in an involuntary case under any applicable federal or state bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee or similar official of the Obligated Group or for any substantial part of the property of the Obligated Group, or ordering the winding up or liquidation of its affairs, and such decree or order shall remain unstayed and in effect for a period of ninety (90) consecutive days.

(e) The Obligated Group shall commence a voluntary case under any applicable federal or state bankruptcy, insolvency or other similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian or similar official of the Obligated Group or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due or shall take any corporate action in furtherance of the foregoing.

(f) The Obligated Group shall have defaulted on its obligations under any Related Loan Agreement and, as a result, an Event of Default (as defined in any Related Bond Indenture) shall exist and be continuing under any Related Bond Indenture and any applicable notice and/or cure period shall have expired.

(g) There is an inaccuracy of any representation or warranty made in any Obligated Group Document or other document delivered by the Obligated Group and such inaccuracy has resulted or would reasonably be expected to result in a material adverse effect on the operations or financial condition of the Obligated Group taken as a whole.

(h) Abandonment by the Obligated Group of any Mortgaged Property, other than following a force majeure event.

(i) Non-payment by the Obligated Group of a final judgment in an aggregate amount in excess of $500,000 subject to stay and bonding.

(j) The occurrence of a lapse of effectiveness of liens on the Pledged Assets granted in favor of the Master Trustee.

(k) The occurrence of an ERISA Event.

(l) The use or withdrawal by the Obligated Group of funds on deposit in any fund or account other than as permitted by the Obligated Group Documents.

(m) The occurrence of a casualty, loss or damage event or condemnation event with respect to all or substantially all of the Property.

Section 6.02. Acceleration; Annulment of Acceleration.

(a) Upon the occurrence and during the continuation of an Event of Default hereunder, the Master Trustee may and, upon (i) the written request of the Controlling Party or of any Holder if an Event of Default under Section 6.01(a) hereof has occurred, (ii) the acceleration of any Obligation pursuant to the terms of the Related Supplement under which such Obligation was issued, or (iii) the occurrence of an Event of Default under Section 6.01(c) or (d), shall, by notice to the Obligated Group, declare all Outstanding Obligations immediately due and payable, whereupon such Obligations shall become and be immediately due and payable, anything in the Obligations or herein to the contrary notwithstanding; provided, however, that if the terms of any Related Supplement give a person the right to consent to acceleration of the Obligations issued pursuant to such Related Supplement, the Obligations issued pursuant to such Related Supplement may not be accelerated by the Master Trustee unless such consent is properly obtained pursuant to the terms of such Related Supplement. In such event, there shall be due and payable on the Obligations an amount equal to the aggregate Principal Amount of all such Obligations, plus all interest accrued thereon.

(b) At any time after the principal of the Obligations shall have been so declared to be due and payable and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, if (i) the Obligated Group has paid or caused to be paid or deposited with the Master Trustee moneys sufficient to pay all matured installments of interest and interest on installments of principal and interest and principal or redemption prices and other payments then due (other than the principal or other payments then due only because of such declaration) on all Outstanding Obligations, (ii) the Obligated Group has paid or caused to be paid or deposited with the Master Trustee moneys sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Master Trustee and any paying agents, (iii) all other amounts then payable by the Obligated Group hereunder shall have been paid or a sum sufficient to pay the same shall have been deposited with the Master Trustee, and (iv) every Event of Default (other than a default in the payment of the principal or other payments of such Obligations then due only because of such declaration) shall have been remedied, then the Controlling Party may annul such declaration and its consequences with respect to any Obligations or portions thereof not then due by their terms. No such annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

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Section 6.03. Additional Remedies and Enforcement of Remedies.

(a) Upon the occurrence and continuance of any Event of Default, the Master Trustee may, and upon the request of (i) the Controlling Party, (ii) any Holder which, pursuant to a Related Supplement, is given the right to require the Master Trustee to institute actions pursuant to this Section 6.03(a), or (iii) any Holder if an Event of Default under Section 6.01(a) hereof has occurred, shall upon the indemnification of the Master Trustee to its satisfaction therefor, proceed forthwith to protect and enforce its rights and the rights of the Holders hereunder by such suits, actions or proceedings as the Master Trustee, being advised by counsel, shall deem expedient, including but not limited to:

(i) Enforcement of the right of the Holders to collect and enforce the payment of amounts due or becoming due under the Obligations;

(ii) Suit upon all or any part of the Obligations;

(iii) Civil action to require any Person holding moneys, documents or other property pledged to secure payment of amounts due or to become due on the Obligations to account as if it were the trustee of an express trust for the Holders of Obligations;

(iv) Civil action to enjoin any acts or things, which may be unlawful or in violation of the rights of the Holders of Obligations;

(v) Exercise any and all remedies under the Mortgages; and

(vi) Enforcement of any other right or remedy of the Holders conferred by law or hereby.

(b) Regardless of the occurrence of an Event of Default, the Master Trustee, if requested in writing by the Controlling Party, shall, upon being indemnified to its satisfaction therefor, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient (i) to prevent any impairment of the security hereunder by any acts which may be unlawful or in violation hereof, or (ii) to preserve or protect the interests of the Holders, provided that such request and the action to be taken by the Master Trustee are not in conflict with any applicable law or the provisions hereof and, in the sole judgment of the Master Trustee, not unduly prejudicial to the interest of the Holders of Obligations not making such request, it being understood that (subject to Section 7.01) the Master Trustee shall have no duty or obligation to determine whether or not such action or forbearance may be unduly prejudicial to such Holders.

Section 6.04. Application of Gross Revenues and Other Moneys after Default. During the continuance of an Event of Default all moneys received by the Master Trustee pursuant to any right given or action taken under the provisions of this Article, together with all amounts held by the Master Trustee hereunder, after payment in the following order of priority of (i) the outstanding fees of the Master Trustee, the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses and advances incurred or made by the Master Trustee with respect thereto, including fees, expenses and advances of its attorneys, agents and advisors and after payment of all other amounts owed to the Master Trustee

hereunder, (ii) fees, costs and expenses of any Related Bond Trustee, (iii) costs and expenses of any Related Bond Issuer and Related Bond Issuer indemnified persons under a Related Bond Indenture or Related Loan Agreement and any other payments due them in respect of the Reserved Rights (as defined in such Related Bond Indenture) (including, without limitation, indemnification payments); provided, that payment of the amounts due to such Related Bond Issuer or the Related Bond Issuer indemnified persons under this Section shall not absolve the Obligated Group from liability therefor except to the extent of the amounts received from the Master Trustee, and (iv) in the sole discretion of the Master Trustee, the payment of the expenses of operating the Mortgaged Property, shall be applied as follows:

(a) Unless the principal of all Outstanding Obligations shall have become or have been declared due and payable:

First: To the payment to the Persons entitled thereto of all installments of interest or the interest portion related to payments then due on the Senior Lien Obligations in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon to the Persons entitled thereto, without any discrimination or preference;

Second: To the payment to the Persons entitled thereto of the unpaid Principal Amounts or portions thereof of any Senior Lien Obligations which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all the Senior Lien Obligations due on any date, then to the payment thereof ratably, according to the Principal Amounts or portions thereof due on such date, to the Persons entitled thereto, without any discrimination or preference;

Third: To the payment to the Persons entitled thereto of all installments of interest or the interest portion related to payments then due on the Junior Lien Obligations in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon to the Persons entitled thereto, without any discrimination or preference;

Fourth: To the payment to the Persons entitled thereto of the unpaid Principal Amounts or portions thereof of any Junior Lien Obligations which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all the Junior Lien Obligations due on any date, then to the payment thereof ratably, according to the Principal Amounts or portions thereof due on such date, to the Persons entitled thereto, without any discrimination or preference.;

Fifth: To the payment to the Persons entitled thereto of all installments of interest or the interest portion related to payments then due on the Third Lien Obligations in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to

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the payment thereof ratably, according to the amounts due thereon to the Persons entitled thereto, without any discrimination or preference;

Sixth:To the payment to the Persons entitled thereto of the unpaid Principal Amounts or portions thereof of any Third Lien Obligations which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all the Third Lien Obligations due on any date, then to the payment thereof ratably, according to the Principal Amounts or portions thereof due on such date, to the Persons entitled thereto, without any discrimination or preference.

(b) If the principal of all Outstanding Obligations shall have become or have been declared due and payable:

(i) First, to the payment of the principal and interest and other payments then due and unpaid upon the Senior Lien Obligations without preference or priority, or of any installment over any other installment, or of any Senior Lien Obligation over any other Senior Lien Obligation, ratably, according to the amounts due, to the Persons entitled thereto without any discrimination or preference; ~~and~~

(ii) Second, to the payment of the principal and interest and other payments then due and unpaid upon the Junior Lien Obligations without preference or priority, or of any installment over any other installment, or of any Junior Lien Obligation over any other Junior Lien Obligation, ratably, according to the amounts due, to the Persons entitled thereto without any discrimination or preference~~.~~; and

(iii) Third, to the payment of the principal and interest and other payments then due and unpaid upon the Third Lien Obligations without preference or priority, or of any installment over any other installment, or of any Third Lien Obligation over any other Third Lien Obligation, ratably, according to the amounts due, to the Persons entitled thereto without any discrimination or preference.

(c) If the principal of all Outstanding Obligations shall have been declared due and payable, and if such declaration shall thereafter be rescinded and annulled under the provisions of this Article, then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all Outstanding Obligations shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of paragraph (a) of this Section.

Whenever moneys are to be applied by the Master Trustee pursuant to the provisions of this Section, such moneys shall be applied by it at such times, and from time to time, as the Master Trustee shall determine, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Master Trustee shall apply such moneys, it shall fix the date upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Master Trustee shall give such notices as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Holder of any unpaid Obligation until such

Obligation and all unmatured coupons, if any, appertaining to such Obligation shall be presented to the Master Trustee for appropriate endorsement of any partial payment or for cancellation if fully paid.

Whenever all Obligations and interest thereon have been paid under the provisions of this Section and all expenses and charges of the Master Trustee have been paid, any balance remaining shall be paid to the Person entitled to receive the same; if no other Person shall be entitled thereto, then the balance shall be paid to the Obligated Group, its successors, or as a court of competent jurisdiction may direct.

Section 6.05. Remedies Not Exclusive. No remedy by the terms hereof conferred upon or reserved to the Master Trustee or the Holders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or existing at law or in equity or by statute on or after the date hereof.

Section 6.06. Remedies Vested in the Master Trustee. All rights of action (including the right to file proof of claims) hereunder or under any of the Obligations may be enforced by the Master Trustee without the possession of any of the Obligations or the production thereof in any trial or other proceedings relating thereto. Any such suit or proceeding instituted by the Master Trustee may be brought in its name as the Master Trustee without the necessity of joining as plaintiffs or defendants any Holders of the Obligations. Subject to the provisions of Section 6.04 hereof, any recovery or judgment shall be for the equal benefit of the Holders of the Outstanding Obligations.

Section 6.07. Master Trustee to Represent Holders. The Master Trustee is hereby irrevocably appointed (and the successive respective Holders of the Obligations, by taking and holding the same, shall be conclusively deemed to have so appointed the Master Trustee) as trustee and true and lawful attorney-in-fact of the Holders of the Obligations for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to such Holders under the provisions of the Obligations, this Master Trust Indenture, and applicable provisions of any other law. Upon the occurrence and continuance of an Event of Default or other occasion giving rise to a right in the Master Trustee to represent the Holders, the Master Trustee in its discretion may, and upon the written direction of the Controlling Party, and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of such Holders by such appropriate action, suit, mandamus or other proceedings as it shall deem most effectual to protect and enforce any such right, at law or in equity, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable right or remedy vested in the Master Trustee or in such Holders under this Master Trust Indenture, or any other law; and upon instituting such proceeding, the Master Trustee shall be entitled, as a matter of right, to the appointment of a receiver of the assets pledged under this Master Trust Indenture, pending such proceedings. All rights of action under this Master Trust Indenture or the Obligations or otherwise may be prosecuted and enforced by the Master Trustee without the possession of any of the Obligations or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding instituted by the Master Trustee shall be

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brought in the name of the Master Trustee for the benefit and protection of all the Holders of such Obligations, subject to the provisions of this Master Trust Indenture.

Section 6.08. Holders' Control of Proceedings. If an Event of Default shall have occurred and be continuing, notwithstanding anything herein to the contrary, the Controlling Party shall have the right, at any time, by any instrument in writing executed and delivered to the Master Trustee, to direct the method and place of conducting any proceeding to be taken in connection with the enforcement of the terms and conditions hereof or for the appointment of a receiver or any other proceedings hereunder, provided that such direction is not in conflict with any applicable law or the provisions hereof (including indemnity to the Master Trustee as provided herein) and, in the sole judgment of the Master Trustee, is not unduly prejudicial to the interest of Holders not joining in such direction (it being understood that (subject to Section 7.01) the Master Trustee shall have no duty or obligation to determine whether or not such action or forbearance may be unduly prejudicial to such Holders) and provided further that nothing in this Section shall impair the right of the Master Trustee in its discretion to take any other action hereunder which it may deem proper and which is not inconsistent with such direction by Holders.

Section 6.09. Termination of Proceedings. In case any proceeding taken by the Master Trustee on account of an Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Master Trustee or to the Holders, then the Obligated Group, the Master Trustee and the Holders shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Master Trustee and the Holders shall continue as if no such proceeding had been taken.

Section 6.10. Waiver of Event of Default.

(a) No delay or omission of the Master Trustee or of any Holder to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein. Every power and remedy given by this Article to the Master Trustee and the Holders of the Obligations, respectively, may be exercised from time to time and as often as may be deemed expedient by them.

(b) The Master Trustee may waive any Event of Default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions hereof, or before the completion of the enforcement of any other remedy hereunder.

(c) Notwithstanding anything contained herein to the contrary, the Master Trustee, upon the written request of the Controlling Party, shall waive any Event of Default hereunder and its consequences; provided, however, that, except under the circumstances set forth in subsection (b) of Section 6.02 hereof, a default in the payment of the principal of, premium, if any, or interest on or other payment with respect to any Obligation, when the same shall become due and payable by the terms thereof or upon call for redemption, may not be waived without the written consent of the Holders of all the Obligations at the time Outstanding.

(d) In case of any waiver by the Master Trustee of an Event of Default hereunder, the Obligated Group, the Master Trustee and the Holders shall be restored to their former positions and rights hereunder, respectively, but no such waiver shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

Section 6.11. Appointment of Receiver. Upon the occurrence of any Event of Default unless the same shall have been waived as herein provided, the Master Trustee shall be entitled as a matter of right if it shall so elect, (a) forthwith and without declaring the Obligations to be due and payable, (b) after declaring the same to be due and payable, or (c) upon the commencement of an action to enforce the specific performance hereof or in aid thereof or upon the commencement of any other judicial proceeding to enforce any right of the Master Trustee or the Holders, to the appointment of a receiver or receivers of any or all of the Property of the Obligated Group with such powers as the court making such appointment shall confer. The Obligated Group hereby consents and agrees, and will if requested by the Master Trustee, consent and agree at the time of application by the Master Trustee for appointment of a receiver, to the appointment of such receiver and that such receiver may be given the right, power and authority, to the extent the same may lawfully be given, to take possession of and operate and deal with such Property and the revenues, profits and proceeds therefrom, with like effect as the Obligated Group could do so, and to borrow money and issue evidences of indebtedness as such receiver.

Section 6.12. Remedies Subject to Provisions of Law. All rights, remedies and powers provided by this Article may be exercised only to the extent that the exercise thereof does not violate any applicable provision of a law, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling and to be limited to the extent necessary so that they will not render this instrument or the provisions hereof invalid or unenforceable under the provisions of any applicable law.

Section 6.13. Notice of Default. The Master Trustee shall not be deemed to have notice of any default or Event of Default hereunder except if a Responsible Officer has Actual Knowledge or has received written notice of such default or Event of Default. The Master Trustee shall, within ten (10) days after a Responsible Officer of the Master Trustee has Actual Knowledge or has received written notice of the occurrence of an Event of Default, mail to all Holders (as the names and addresses of such Holders appear upon the books of the Master Trustee), notice of such Event of Default known to the Master Trustee, unless such Event of Default shall have been cured before the giving of such notice; and provided that, except in the case of default in the payment of the principal of or premium, if any, or interest or other payments on any of the Obligations and the Events of Default specified in subsections (c) and (d) of Section 6.01, the Master Trustee shall be protected in withholding such notice if and so long as the Master Trustee in good faith determine that the withholding of such notice is in the interests of the Holders of Obligations.

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ARTICLE VII

THE MASTER TRUSTEE

Section 7.01. Certain Duties and Responsibilities.

(a) Except during the continuance of an Event of Default:

(i) The Master Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Master Trust Indenture, and no implied covenant or obligation shall be read into this Master Trust Indenture against the Master Trustee; and

(ii) In the absence of bad faith on its part, the Master Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon Certificates or opinions furnished to the Master Trustee and conforming to the requirements of this Master Trust Indenture; but in the case of any such Certificates or opinions which by any provision hereof are specifically required to be furnished to the Master Trustee, the Master Trustee shall be under a duty to examine the same to determine whether or not they conform on their face to the requirements of this Master Trust Indenture as to form.

(b) In case an Event of Default has occurred and is continuing, the Master Trustee shall exercise such of the rights and powers vested in it by this Master Trust Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under similar circumstances.

(c) No provision of this Master Trust Indenture shall be construed to relieve the Master Trustee from liability for its own grossly negligent action, its own grossly negligent failure to act, or its own willful misconduct, except that:

(i) this Subsection shall not be construed to limit the effect of Subsection (a) of this Section;

(ii) the Master Trustee shall not be liable for any error of judgment made in good faith by a chair or vice-chair of the board of directors, the chair or vice-chair of the executive committee of the board of directors, the president, any vice president, the secretary, any assistant secretary, the treasurer, any assistant treasurer, the cashier, any assistant cashier, any trust officer or assistant trust officer, the controller and any assistant controller or any other officer of the Master Trustee customarily performing functions similar to those performed by any of the above designated officers or with respect to a particular matter, or any other officer to whom such matter is referred because of his knowledge or any familiarity with the particular subject, unless it shall be proved that the Master Trustee was grossly negligent in ascertaining the pertinent facts;

(iii) the Master Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Controlling Party relating to, or in exercising, the timing, method and place of conducting any proceeding for any

remedy available to the Master Trustee, or exercising any trust or power conferred upon the Master Trustee, under this Master Trust Indenture; and

(iv) no provision of this Master Trust Indenture or the Obligated Group Documents shall require the Master Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or thereunder, or in the exercise of any of its rights or powers, unless the Master Trustee shall have received security and indemnity satisfactory to it against loss, liability or expense.

(d) Whether or not therein expressly so provided, every provision of this Master Trust Indenture relating to the conduct or affecting the liability of or affording protection to the Master Trustee shall be subject to the provisions of this Section.

Section 7.02. Certain Rights of Master Trustee. Subject to Section 7.01:

(a) The Master Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, obligation or other paper or documents believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) Any request or direction of the Obligated Group or the Obligated Group Representative mentioned herein shall be sufficiently evidenced by an Officer's Certificate and any action of the Governing Body may be sufficiently evidenced by a copy of a resolution certified by the secretary or an assistant secretary of the Obligated Group or the Obligated Group Representative, as applicable, to have been duly adopted by the Governing Body and to be in full force and effect on the date of such certification and delivered to the Master Trustee.

(c) Whenever in the administration of this Master Trust Indenture the Master Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Master Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, request and conclusively rely upon an Officer's Certificate.

(d) The Master Trustee may consult with counsel, and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon. In no event shall the Master Trustee be responsible or liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Master Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(e) The Master Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Master Trust Indenture or the Obligated Group Documents at the request or direction of any of the Holders pursuant to this Master Trust Indenture, unless such Holders shall have offered to the Master Trustee security or indemnity acceptable to the Master

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Trustee against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

(f) The Master Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, obligation or other paper or document, but the Master Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Master Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Obligated Group Representative or the Obligated Group, personally or by agent or attorney.

(g) The Master Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Master Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

(h) The Master Trustee shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized within the discretion or rights or powers conferred upon it by this Master Trust Indenture. In no event shall the Master Trustee be responsible or liable for special, indirect, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Master Trustee has been advised of the likelihood of such loss or damage and regardless to the form of action.

(i) Anything to the contrary notwithstanding, the Master Trustee shall not be required to exercise any remedies with respect to the Mortgages unless the Master Trustee is satisfied that the Master Trustee will not be subject to any liability under any local, state or federal environmental laws or regulations of any kind whatsoever or from any circumstances present at the Mortgaged Property, relating to the presence, use, management, disposal of, or contamination by any environmentally hazardous materials or substances of any kind whatsoever.

(j) The immunities extended to the Master Trustee also extend to its directors, officers, employees and agents.

(k) The permissive right of the Master Trustee to do things enumerated in this Indenture shall not be construed as a duty. All of the Master Trustee's duties under this Master Trust Indenture shall be deemed purely ministerial in nature, and the Master Trustee shall not be liable except for the performance of such duties, and no implied covenants or obligations shall be read into this Indenture against the Master Trustee.

(l) Neither the Master Trustee nor any of its directors, officers, employees, agents or affiliates shall be responsible for nor have any duty to monitor the performance or any action of the Obligated Group, the Issuer, or any of their directors, members, officers, agents, affiliates or employee, nor shall it have any liability in connection with the malfeasance or nonfeasance by such party. The Master Trustee may assume performance by all such Persons of their respective obligations. The Master Trustee shall have no enforcement or notification obligations relating to breaches of representations or warranties of any other Person.

(m) The Master Trustee shall be entitled to assume that any Person designated by the Obligated Group or the Obligated Group Representative as an Independent Consultant satisfies the requirements thereof, without any duty of independent investigation.

(n) In no event shall the Master Trustee be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, pandemics, epidemics, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Master Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 7.03. Right to Deal in Obligations and Related Bonds. The Master Trustee may in good faith buy, sell or hold and deal in any Obligations and Related Bonds with like effect as if it were not such Master Trustee and may commence or join in any action which a Holder or holder of a Related Bond is entitled to take with like effect as if the Master Trustee were not the Master Trustee.

Section 7.04. Removal and Resignation of the Master Trustee. The Master Trustee may be removed at any time by an instrument or instruments in writing signed by the Controlling Party or, provided an Event of Default has not occurred and is then continuing, the Obligated Group Representative. The Master Trustee may at any time resign by giving written notice of such resignation to the Obligated Group Representative and by giving the Holders of all Obligations then Outstanding notice of such resignation by mail at the addresses shown on the registration books maintained by the Master Trustee. No such resignation or removal shall become effective unless and until a successor Master Trustee has been appointed and has assumed the trusts created hereby. Written notice of removal shall be given to the Obligated Group and to each Holder of an Obligation then Outstanding at the address then reflected on the books of the Master Trustee and such resignation or removal shall then take effect upon the appointment and qualification of a successor Master Trustee. A successor Master Trustee may be appointed at the direction of the Controlling Party, or, if the Master Trustee has resigned or has been removed by the Obligated Group Representative, by the Obligated Group Representative. In the event a successor Master Trustee has not been appointed and qualified within forty-five (45) days of the date notice of resignation is given, the Master Trustee (at the sole cost and expense of the Obligated Group (including with respect to reasonable attorneys' fees and expenses)), the Obligated Group or any Holder may apply to any court of competent jurisdiction for the appointment of an interim successor Master Trustee to act until such time as a permanent successor is appointed as above provided or for other appropriate relief, and any such resulting appointment or relief shall be binding upon the Obligated Group, the Holders, and any and all other parties, and thereafter the Master Trustee shall have no further duties, responsibilities or obligations hereunder or under any of the Obligated Group Documents to which it is a party.

Unless otherwise ordered by a court or regulatory body having competent jurisdiction, or unless required by law, any successor Master Trustee shall be a trust company or bank having the

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powers of a trust company as to trusts or authorized to exercise trust powers, qualified to do and doing trust business in one or more states of the United States of America and having (or in the case of a corporation or trust company included in a bank holding company system, the related bank holding company shall have) an officially reported combined capital, surplus, undivided profits and reserves aggregating at least $100,000,000, if there is such an institution willing, qualified and able to accept the trust upon reasonable or customary terms.

Every successor Master Trustee howsoever appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Obligated Group an instrument in writing, accepting such appointment hereunder, and thereupon such successor Master Trustee, without further action, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor, and such predecessor shall execute and deliver an instrument transferring to such successor Master Trustee all the rights, powers and trusts of such predecessor. The predecessor Master Trustee shall execute any and all documents necessary or appropriate to convey all interest it may have to the successor Master Trustee. The predecessor Master Trustee shall promptly deliver all records relating to the trust or copies thereof and communicate all material information it may have obtained concerning the trust to the successor Master Trustee.

Each successor Master Trustee, not later than ten (10) days after its assumption of the duties hereunder, shall mail a notice of such assumption to each Holder of an Obligation.

Section 7.05. Compensation and Reimbursement. The Obligated Group agrees:

(a) To pay the Master Trustee from time to time reasonable compensation for all services rendered by it hereunder, including reasonable fees and expenses of its counsel (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust).

(b) To reimburse the Master Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Master Trustee in accordance with any provision of this Master Trust Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and its agents), except any such expense, disbursement or advance as may be attributable to its negligence or willful misconduct.

(c) To indemnify the Master Trustee for, and to hold it harmless from and against, any loss, liability or expense incurred without successful allegations of negligence or willful misconduct on its part, arising out of or in connection with the acceptance or administration of this trust or its duties hereunder or under the Obligated Group Documents, including the costs and expenses of defending itself against or investigating any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder or thereunder.

When the Master Trustee incurs expenses or renders services in connection with an Event of Default specified in Section 6.01(c) or (d) hereof, the expenses (including reasonable fees and expenses of its counsel) and the compensation for the services in connection therewith are intended to constitute expense of administration under any applicable bankruptcy law. Upon the occurrence of an Event of Default and during its continuance, the Master Trustee shall have a

prior lien with right of payment before payment on account of principal of or interest on any Obligation, upon all moneys in its possession under any provision hereof for the foregoing reasonable advances, fees, costs and expenses incurred.

(d) Notwithstanding the cancellation or payment of all Obligations and the satisfaction and discharge of this Master Trust Indenture, all provisions in this Master Trust Indenture concerning the indemnity of the Master Trustee and the payment of its fees and expenses shall survive and remain in full force and effect.

Section 7.06. Recitals and Representations. The recitals, statements and representations contained herein, or in any Obligation (excluding the Master Trustee's authentication on the Obligations) shall be taken and construed as made by and on the part of the Obligated Group, and not by the Master Trustee, and the Master Trustee neither assumes nor shall be under any responsibility for the correctness of the same.

The Master Trustee makes no representation as to, and is not responsible for, the validity or sufficiency hereof or of the Obligations or the validity or sufficiency of insurance to be provided. The Master Trustee shall be deemed not to have made representations as to the security afforded hereby or hereunder or as to the legality, validity or sufficiency of such document. The Master Trustee shall not be concerned with or accountable to anyone for the use or application of any moneys that shall be released or withdrawn in accordance with the provisions hereof. The Master Trustee shall have no duty of inquiry with respect to any default or Events of Default described herein without Actual Knowledge of or receipt by a Responsible Officer of the Master Trustee of written notice of a default or an Event of Default from the Obligated Group or any Holder.

The Master Trustee shall not be obligated to verify any calculations made by third parties, including without limitation, the calculations to be made by the Independent Consultant hereunder.

Section 7.07. Separate or Co-Master Trustee. At any time or times, for the purpose of meeting any legal requirements of any jurisdiction, the Master Trustee shall have power to appoint, and, upon the request of the Controlling Party, shall appoint, one or more persons approved by the Master Trustee either to act as co-trustee or co-trustees, jointly with the Master Trustee, or to act as separate trustee or separate trustees, and to vest in such persons or persons, in such capacity, such rights, powers, duties, trusts or obligations as the Master Trustee may consider necessary or desirable, subject to the remaining provisions of this Section.

Every co-trustee or separate trustee shall, to the extent permitted by law but to such extent only, be appointed subject to the following terms, namely:

(a) The Obligations shall be authenticated and delivered solely by the Master Trustee.

(b) All rights, powers, trusts, duties and obligations conferred or imposed upon the trustees shall be conferred or imposed upon and exercised or performed by the Master Trustee, or by the Master Trustee and such co-trustee or co-trustees or separate trustee or separate trustees jointly, as shall be provided in the instrument appointing such co-trustee or co-trustees or separate trustee or separate trustees, except to the extent that, under the law of any jurisdiction in

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which any particular act or acts are to be performed the Master Trustee shall be incompetent or unqualified to perform such act or acts, in which event such act or acts shall be performed by such co-trustee or co-trustees or separate trustee or separate trustees.

(c) Any request in writing by the Master Trustee to any co-trustee or separate trustee to take or to refrain from taking any action hereunder shall be sufficient warrant for the taking, or the refraining from taking, of such action by such co-trustee or separate trustee.

(d) Any co-trustee or separate trustee may, to the extent permitted by law, delegate to the Master Trustee the exercise of any right, power, trust, duty or obligation, discretionary or otherwise.

(e) The Master Trustee at any time, by any instrument in writing, may accept the resignation of or remove any co-trustee or separate trustee appointed under this Section. Upon the request of the Master Trustee, the Obligated Group shall join with the Master Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to effectuate such resignation or removal.

(f) No trustee or any paying agent hereunder shall be personally liable by reason of any act or omission of any other trustee or paying agent hereunder, nor will the act or omission of any trustee or paying agent hereunder be imputed to any other trustee or paying agent.

(g) Any demand, request, direction, appointment, removal, notice, consent, waiver or other action in writing delivered to the Master Trustee shall be deemed to have been delivered to each such co-trustee or separate trustee.

(h) Any moneys, papers, securities or other items of personal property received by any such co-trustee or separate trustee hereunder shall forthwith, so far as may be permitted by law, be turned over to the Master Trustee.

Upon the acceptance in writing of such appointment by any such co-trustee or separate trustee, it or he shall be vested with such rights, powers, duties or obligations, as shall be specified in the instrument of appointment jointly with the Master Trustee (except insofar as local law makes it necessary for any such co-trustee or separate trustee to act alone) subject to all the terms hereof. Every such acceptance shall be filed with the Master Trustee. To the extent permitted by law, any co-trustee or separate trustee may, at any time by an instrument in writing, constitute the Master Trustee its or his attorney-in-fact and agent, with full power and authority to do all acts and things and to exercise all discretion on its or his behalf and in its or his name.

In case any co-trustee or separate trustee shall die, become incapable of acting, resign or be removed, all rights, powers, trusts, duties and obligations of said co-trustee or separate trustee shall, so far as permitted by law, vest in and be exercised by the Master Trustee unless and until a successor co-trustee or separate trustee shall be appointed in the manner herein provided.

Section 7.08. Merger or Consolidation. Any company into which the Master Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Master Trustee may sell or transfer all or substantially all of its corporate trust

business, provided such company shall be eligible under Section 7.04, shall be the successor to such Master Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

ARTICLE VIII

SUPPLEMENTS AND AMENDMENTS

Section 8.01. Supplements Not Requiring Consent of Holders. The Obligated Group Representative, the Obligated Group and the Master Trustee may, without the consent of any of the Holders, enter into one or more Related Supplements for one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission herein;

(b) To correct or supplement any provision herein which may be inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising hereunder and which shall not materially and adversely affect the interests of the Holders;

(c) To grant or confer ratably upon all the Holders any additional rights, remedies, powers or authority, or to add to the covenants of and restrictions on the Obligated Group;

(d) To qualify this Master Trust Indenture under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect;

(e) To create and provide for the issuance of an Obligation or Series of Obligations as permitted hereunder;

(f) To subject any collateral to the pledge hereunder and the security interest created hereby without the concurrent issuance of any Obligations;

(g) To create any additional funds or accounts hereunder; and

(h) Subject to the receipt by the Master Trustee of an Opinion of Counsel that such amendment or modification will not have a material adverse effect on the interests of the Holders or result in any material impairment of the security given for the payment of the Obligations then Outstanding, to make any other modification, alteration, amendment or supplement to this Master Trust Indenture as the Obligated Group Representative shall deem necessary and desirable.

Section 8.02. Supplements Requiring Consent of Holders.

(a) Other than Related Supplements referred to in Section 8.01 hereof, the Obligated Group Representative, the Obligated Group and the Master Trustee may, with the consent of the Controlling Party and anything contained herein to the contrary notwithstanding, enter into one or more Related Supplements as the Obligated Group Representative shall deem necessary and desirable for the purpose of modifying, altering, amending, adding to or rescinding, in any

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particular, any of the terms or provisions contained herein; provided, however, that nothing in this Section shall permit or be construed as permitting a Related Supplement which would:

(i) Extend the stated maturity of or time for paying interest on any Obligation or reduce the Principal Amount of or the redemption premium or rate of interest or method of calculating interest payable on any Obligation without the consent of the Holder of such Obligation;

(ii) Modify, alter, amend, add to or rescind any of the terms or provisions contained in Article VI hereof so as to affect the right of the Holders of any Obligations in default as to payment to compel the Master Trustee to declare the principal of all Obligations to be due and payable, without the consent of the Holders of all Obligations then Outstanding; or

(iii) Reduce the aggregate Principal Amount of Obligations then Outstanding the consent of the Holders of which is required to authorize such Related Supplement without the consent of the Holders of all Obligations then Outstanding.

(b) If at any time the Obligated Group Representative shall request the Master Trustee to enter into a Related Supplement pursuant to this Section, which request is accompanied by a copy of the resolution or other action of its Governing Body certified by its secretary (or, if it has no secretary, its comparable officer) together with a copy of the proposed Related Supplement, and if the Master Trustee shall receive (i) an instrument or instruments purporting to be executed by the Holders of not less than the aggregate Principal Amount or number of Obligations specified in subsection (a) for the Related Supplement in question, which instrument or instruments shall refer to the proposed Related Supplement and shall specifically consent to and approve the execution thereof in substantially the form of the copy thereof as on file with the Master Trustee, and (ii) the consent of the Obligated Group, thereupon, but not otherwise, the Master Trustee may execute such Related Supplement in substantially such form, without liability or responsibility to any Holder of any Obligation, whether or not such Holder shall have consented thereto.

(c) Any such consent shall be binding upon the Holder of the Obligation giving such consent and upon any subsequent Holder of such Obligation and of any Obligation issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof), unless such consent is revoked in writing by the Holder of such Obligation giving such consent or by a subsequent Holder thereof by filing with the Master Trustee, prior to the execution by the Master Trustee of such Related Supplement, such revocation and, if such Obligation or Obligations are transferable by delivery, proof that such Obligations are held by the signer of such revocation. At any time after the Holders of the required Principal Amount or number of Obligations shall have filed their consents to the Related Supplement, the Master Trustee shall make and file with the Obligated Group Representative a written statement to that effect. Such written statement shall be conclusive that such consents have been so filed.

(d) If the Holders of the required Principal Amount or number of the Outstanding Obligations shall have consented to and approved the execution of such Related Supplement as herein provided, no Holder of any Obligation shall have any right to object to the execution

thereof, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Master Trustee or the Obligated Group Representative from executing the same or from taking any action pursuant to the provisions thereof.

Section 8.03. Execution and Effect of Supplements.

(a) In executing any Related Supplement permitted by this Article, the Master Trustee shall be entitled to receive and to rely upon an Opinion of Counsel stating that the execution of such Related Supplement is authorized or permitted hereby. The Master Trustee may but shall not be obligated to enter into any such Related Supplement which materially and adversely affects the Master Trustee's own rights, duties or immunities.

(b) Upon the execution and delivery of any Related Supplement in accordance with this Article, the provisions hereof shall be modified in accordance therewith and such Supplement shall form a part hereof for all purposes and every Holder of an Obligation theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

(c) Any Obligation authenticated and delivered after the execution and delivery of any Related Supplement in accordance with this Article may, and, if required by the Obligated Group Representative or the Master Trustee shall, bear a notation in form approved by the Master Trustee as to any matter provided for in such Related Supplement. If the Obligated Group Representative or the Master Trustee shall so determine, new Obligations so modified as to conform in the opinion of the Master Trustee and the Governing Body of the Obligated Group Representative to any such Related Supplement may be prepared and executed by the Obligated Group and authenticated and delivered by the Master Trustee in exchange for and upon surrender of Obligations then Outstanding.

(d) The Master Trustee shall give notice, by first class mail, to the Holders of all Obligations then Outstanding of the execution and delivery of any Related Supplement (other than a Related Supplement entered into for the purposes described in clause (e) of Section 8.01 hereof), setting forth the effective date of such Related Supplement and a summary of the terms thereof (or, in lieu of such a summary, by attaching the form of such Related Supplement to such notice).

Section 8.04. Amendment of Related Supplements. Any Related Supplement may provide that the provisions thereof may be amended without the consent of or notice to any of the Holders or pursuant to such terms and conditions as may be specified in such Related Supplement. If a Related Supplement does not contain provisions relating to the amendment thereof, amendment of such Related Supplement shall by governed by the provisions of Section 8.01 and Section 8.02 hereof.

ARTICLE IX

SATISFACTION AND DISCHARGE OF INDENTURE

Section 9.01. Satisfaction and Discharge of Indenture. If (i) the Obligated Group shall deliver to the Master Trustee for cancellation all Obligations theretofore authenticated (other

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than any Obligations which shall have been mutilated, destroyed, lost or stolen and which shall have been replaced or paid as provided in any Related Supplement) and not theretofore cancelled, or (ii) upon payment of all Obligations not theretofore cancelled or delivered to the Master Trustee for cancellation, or (iii) (unless otherwise provided for an Obligation in the Related Supplement pursuant to which such Obligation was issued) the Obligated Group shall deposit with the Master Trustee as trust funds cash or Government Obligations or both, sufficient to pay at maturity or upon redemption all Obligations not theretofore cancelled or delivered to the Master Trustee for cancellation, including without limitation principal and interest due or to become due to such date of maturity or redemption date, as the case may be, and if in any case the Obligated Group shall also pay or cause to be paid all other sums payable hereunder by the Obligated Group, then this Master Trust Indenture shall cease to be of further effect, and the Master Trustee, on demand of the Obligated Group and at the cost and expense of the Obligated Group, shall execute proper instruments acknowledging satisfaction of and discharging this Master Trust Indenture. The Obligated Group Representative shall cause a report to be prepared by a firm nationally recognized for providing verification services regarding the sufficiency of funds for such discharge and satisfaction, upon which report the Master Trustee may rely. The Obligated Group hereby agrees to reimburse the Master Trustee for any costs or expenses theretofore and thereafter reasonably and properly incurred by the Master Trustee in connection with this Master Trust Indenture or such Obligations.

Section 9.02. Payment of Obligations after Discharge of Lien. Notwithstanding the discharge of the lien hereof as in this Article provided, the Master Trustee shall nevertheless retain such rights, powers and duties hereunder as may be necessary and convenient for the payment of amounts due or to become due on the Obligations and the registration, transfer, exchange and replacement of Obligations as provided in any Related Supplement. Nevertheless, any moneys held by the Master Trustee or any paying agent for the payment of the principal of, premium, if any or interest on any Obligation remaining unclaimed for two years after the principal of all Obligations has become due and payable, whether at maturity or upon proceedings for redemption or by declaration as provided herein, shall, subject to applicable law, then be paid to the Obligated Group and the Holders of any Obligations or coupons not theretofore presented for payment shall thereafter be entitled to look only to the Obligated Group for payment thereof as unsecured creditors and all liability of the Master Trustee or any paying agent with respect to such moneys shall thereupon cease.

ARTICLE X

MISCELLANEOUS PROVISIONS

Section 10.01. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Master Trust Indenture or the Obligations issued hereunder is intended or shall be construed to give to any person other than the Obligated Group Representative, the Obligated Group, the Master Trustee, and the Holders of the Obligations, any legal or equitable right, remedy or claim under or in respect to this Master Trust Indenture or any covenants, conditions and provisions herein contained; this Master Trust Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties mentioned in this Section.

Section 10.02. Severability. If any one or more sections, clauses, sentences or parts hereof shall for any reason be questioned in any court of competent jurisdiction and shall be adjudged invalid or unenforceable, such judgment shall not affect, impair or invalidate the remaining provisions hereof, or the Obligations issued pursuant hereto, but shall be confined to the specific sections, clauses, sentences and parts so adjudged.

Section 10.03. Holidays. Except to the extent a Related Supplement or an Obligation provides otherwise:

(a) Subject to subsection (b), when any action is provided herein to be done on a day or within a time period named, and the day or the last day of the period falls on a day that is not a Business Day, the action may be done on the next ensuing Business Day with effect as though done on the day or within the time period named.

(b) When the date on which principal of or interest or premium on any Obligation is due and payable is a day that is not a Business Day, payment may be made on the next ensuing Business Day with effect as though payment were made on the due date, and, if such payment is made, no interest shall accrue from and after such due date.

Section 10.04. Governing Law. This Master Trust Indenture shall be construed in accordance with and governed by the laws of the State of Florida applicable to contracts made and performed in the State of Florida.

Section 10.05. Counterparts. This Master Trust Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

Section 10.06. Immunity of Individuals. No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Obligations issued hereunder or for any claim based thereon or upon any obligation, covenant or agreement herein against any past, present or future officer, director, member, employee or agent of the Obligated Group, whether directly or indirectly and all such liability of any such individual as such is hereby expressly waived and released as a condition of and in consideration for the execution hereof and the issuance of the Obligations hereunder.

Section 10.07. Nonpetition. By its acceptance of an Obligation or Related Bond, each owner and beneficial owner of an Obligation or Related Bond agrees, and the Master Trustee agrees, that it shall at no time commence a bankruptcy case or similar insolvency proceeding against the Obligated Group Representative or the Obligated Group.

Section 10.08. Binding Effect. This instrument shall inure to the benefit of and shall be binding upon the Obligated Group, the Master Trustee, the Obligated Group Representative and their respective successors and assigns subject to the limitations contained herein.

Section 10.09. Notices; Notice to Rating Agencies. (a) Unless otherwise expressly specified or permitted by the terms hereof, all notices, consents or other communications required or permitted hereunder shall be deemed sufficiently given or served if given in writing, mailed by first class mail, postage prepaid and addressed as follows:

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(i) If to the Obligated Group Representative, addressed to it at:

Alpha Lifestyle Partners, Inc.
c/o President
201 South Columbine Street, Unit 300
Denver, Colorado 80206
Email: cassidy@alphalifestylepartners.org

(ii) If to the Master Trustee, addressed to it at the Designated Corporate Trust Office; or

(iii) If to the registered Holder of an Obligation, addressed to such Holder at the address shown on the books of the Master Trustee kept pursuant hereto.

(b) The Obligated Group Representative or the Master Trustee may from time to time by notice in writing to the others and to the Holders of the Obligations designate a different address or addresses for notice hereunder.

(c) So long as Obligations are rated by a Rating Agency, at such time as there is a change in the Master Trustee, any amendment to this Master Trust Indenture is made, or upon the occurrence of an Event of Default hereunder, or upon any acceleration or defeasance of the Obligations, written notice of same shall be given by the Obligated Group Representative to the Rating Agencies then rating the Obligations.

Section 10.10. Electronic Signatures. The parties agree that the electronic signature of a party to this Master Trust Indenture, including all acknowledgements, authorizations, directions, waivers and consents thereto (or any amendment or supplement thereto) shall be as valid as an original signature of such party and shall be effective to bind such party to this Master Trust Indenture. The parties agree that any electronically signed document (including this Master Trust Indenture) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed, and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. For purposes hereof, "electronic signature" means a manually-signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the Internet as a pdf (portable document format) or other replicating image attached to an e-mail message; and, "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature. Paper copies or "printouts", if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. No party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

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IN WITNESS WHEREOF, the Obligated Group Representative and each Member of the Obligated Group has caused these presents to be signed in its name and to evidence its acceptance of the trusts and agreements hereby created, and the Master Trustee has caused these presents to be signed in its name and on its behalf by one of its duly authorized officers, all as of the day and year first above written.

ALPHA LIFESTYLE PARTNERS, INC.,
a Delaware nonprofit corporation,
as Obligated Group Representative

By: _____
Name:
Title:

ALPHA LIFESTYLE PARTNERS, INC.,
a Delaware nonprofit corporation,
as a Member of the Obligated Group

By: _____
Name:
Title:

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ALPHA LIFESTYLE PARTNERS FLORIDA, INC., a Florida not-for-profit corporation, as a Member of the Obligated Group

By: _____
Name:
Title:

ALP COVINGTON, LLC,
ALP NAPLES, LLC,
ALP VENICE, LLC, each a Delaware limited liability company, and each as a Member of the Obligated Group

By: _____
Name:
Title:

[Signature Page to the Master Trust Indenture]

UMB BANK, N.A.,
as Master Trustee

By: _____
Name:
Title:

[Signature Page to the Master Trust Indenture]

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APPENDIX A

FORM OF ADMINISTRATIVE COSTS FUND REQUISITION

REQUISITION NO. __

_____, 20__

UMB Bank, N.A.
7155 Lake Drive, Suite 120
West Des Moines, Iowa 50266

Re: Requisition No. [__] – Administrative Costs Fund

Ladies and Gentlemen:

This letter is our direction to you to disburse from the Administrative Costs Fund provided for in Section 4.04 of the Master Trust Indenture dated as of _____ 1, 2025 (the "Master Trust Indenture") among Alpha Lifestyle Partners, Inc., a Delaware nonprofit corporation (the "Obligated Group Representative"), each Member of the Obligated Group (collectively, the "Obligated Group"), and UMB Bank, N.A., a national banking association organized and existing under the laws of the United States of America (the "Trustee"), to each payee listed on Schedule A attached hereto the amount set forth on such Schedule A. All payments shall be made by check or wire transfer in accordance with the payment instructions set forth on Schedule A or in the applicable invoice and the Trustee shall rely on such payment instructions with no duty to authenticate or verify the authenticity of the invoice or the payment instructions contained therein or the authority under which they were given.

The obligations in the stated amounts have been incurred by the Obligated Group and each item thereof is a proper charge against the Administrative Costs Fund.

With respect to this disbursement, the Obligated Group Representative (i) certifies it has reviewed any wire instructions set forth herein to confirm such wire instructions are accurate, (ii) agrees to indemnify and hold harmless the Master Trustee from and against any and all claim, demand, loss, liability, or expense sustained, including but not limited to attorney fees, and expenses resulting directly or indirectly as a result of making the disbursement requested hereunder, and (iii) agrees it will not seek recourse from Master Trustee as a result of losses incurred by it for making the disbursement in accordance with its instructions herein.

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IN WITNESS WHEREOF, the undersigned has executed this request as of the date first written above.

Very truly yours,

ALPHA LIFESTYLE PARTNERS, INC.,
as Obligated Group Representative

By: _____
Name:
Title:

[Signature Page to Administrative Costs Fund Requisition]

Appendix A

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SCHEDULE A

Item No.	Payee	Amount	Purpose
1.	[PAYEE]	$[_____]	
		TOTAL $[_____]	

APPENDIX B

FORM OF REPAIR AND REPLACEMENT FUND REQUISITION

REQUISITION NO. __

_____, 20__

UMB Bank, N.A.
7155 Lake Drive, Suite 120
West Des Moines, Iowa 50266

Re: Requisition No. [__] – [NAME OF ACCOUNT] of Repair and Replacement Fund

Ladies and Gentlemen:

This letter is our direction to you to disburse from the [NAME OF ACCOUNT] of the Repair and Replacement Fund provided for in Section 4.07 of the Master Trust Indenture dated as of _____ 1, 2025 (the "Master Trust Indenture") among Alpha Lifestyle Partners, Inc., a Delaware nonprofit corporation (the "Obligated Group Representative"), each Member of the Obligated Group (collectively, the "Obligated Group"), and UMB Bank, N.A., a national banking association organized and existing under the laws of the United States of America (the "Trustee"), to each payee listed on Schedule A attached hereto the amount set forth on such Schedule A. All payments shall be made by check or wire transfer in accordance with the payment instructions set forth on Schedule A or in the applicable invoice and the Trustee shall rely on such payment instructions with no duty to authenticate or verify the authenticity of the invoice or the payment instructions contained therein or the authority under which they were given.

The obligations in the stated amounts have been incurred by the Obligated Group and each item thereof is a proper charge against such account of the Repair and Replacement Fund.

With respect to this disbursement, the Obligated Group Representative (i) certifies it has reviewed any wire instructions set forth herein to confirm such wire instructions are accurate, (ii) agrees to indemnify and hold harmless the Master Trustee from and against any and all claim, demand, loss, liability, or expense sustained, including but not limited to attorney fees, and expenses resulting directly or indirectly as a result of making the disbursement requested hereunder, and (iii) agrees it will not seek recourse from Master Trustee as a result of losses incurred by it for making the disbursement in accordance with its instructions herein.

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IN WITNESS WHEREOF, the undersigned has executed this request as of the date first written above.

Very truly yours,

ALPHA LIFESTYLE PARTNERS, INC.,
as Obligated Group Representative

By: _____
Name:
Title:

[Signature Page to Repair and Replacement Fund Requisition]

SCHEDULE A

Item No.	Payee	Amount	Purpose
1.	[PAYEE]	$[_____]	
	TOTAL	$[_____]	

Appendix B

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APPENDIX C

CERTIFICATE OF OBLIGATED GROUP REPRESENTATIVE AND ASSET MANAGER AS TO APPLICATION OF FUNDS IN THE SURPLUS FUND

CERTIFICATE NO. __

_____, 20__

UMB Bank, N.A.
7155 Lake Drive, Suite 120
West Des Moines, Iowa 50266

Re: Certificate No. [__] – Surplus Fund

Ladies and Gentlemen:

This letter is our direction to you to disburse or transfer from the Surplus Fund provided for in Section 4.14 of the Master Trust Indenture dated as of _____ 1, 2025 (the "Master Trust Indenture") among Alpha Lifestyle Partners, Inc., a Delaware nonprofit corporation (the "Obligated Group Representative"), each Member of the Obligated Group (collectively, the "Obligated Group"), and UMB Bank, N.A., a national banking association organized and existing under the laws of the United States of America (the "Trustee"), as directed on Schedule A attached hereto in the amount set forth on such Schedule A. All payments (other than transfers to other funds established under the Master Trust Indenture) shall be made by check or wire transfer in accordance with the payment instructions set forth on Schedule A and the Trustee shall rely on such payment instructions with no duty to authenticate or verify the authenticity of the invoice or the payment instructions contained therein or the authority under which they were given.

In connection with this disbursement, the Obligated Group hereby certifies that (i) no Event of Default has occurred or is continuing, (ii) the Obligated Group expects to satisfy the Rate Covenant as of the end of the current Fiscal Year based on current year-to-date operations, (iii) the Operating Reserve Fund, the Repair and Replacement Fund, the Major Improvement and Operating Support Reserve Fund and each debt service reserve fund established under a Related Bond Indenture are fully funded in accordance with the provisions of the Master Trust Indenture and each Related Bond Indenture, and (iv) such funds are being withdrawn from the Surplus Fund for one of the following purposes: (A) for use in supporting the organization and mission of the Borrower and the other Members of the Obligated Group, (B) for transfer to the Principal Account of the Senior Lien Obligations Funds ~~or,~~ the Junior Lien Obligations Fund or the Third Lien Obligations Fund for the redemption of Senior Lien Obligations ~~or,~~ Junior Lien Obligations or Third Lien Obligations, or (C) for transfer to the Subordinated Management Fees Fund for the payment of any accrued and unpaid Subordinated Management Fees.

With respect to this disbursement, the Obligated Group Representative (i) certifies it has reviewed any wire instructions set forth herein to confirm such wire instructions

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are accurate, (ii) agrees to indemnify and hold harmless the Master Trustee from and against any and all claim, demand, loss, liability, or expense sustained, including but not limited to attorney fees, and expenses resulting directly or indirectly as a result of making the disbursement requested hereunder, and (iii) agrees it will not seek recourse from Master Trustee as a result of losses incurred by it for making the disbursement in accordance with its instructions herein.

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IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date first written above.

Very truly yours,

ALPHA LIFESTYLE PARTNERS, INC.,
as Obligated Group Representative

By: _____
Name:
Title:

[**NAME OF ASSET MANAGER**], as Asset Manager

By: _____
Name:
Title:

[Signature Page to Surplus Fund Certificate]

SCHEDULE A

Item No.	Payee	Amount	Purpose
1.	[PAYEE]	$[_____]	
		TOTAL $[_____]	

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APPENDIX D

TRADE NAMES

APPENDIX E

UNITS IN THE PROPERTIES

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SUPPLEMENT DATED SEPTEMBER 12, 2025

TO PRELIMINARY LIMITED OFFERING MEMORANDUM DATED AUGUST 29, 2025

related to

$61,125,000*
Capital Trust Authority
Senior Living Facilities
Senior Lien Revenue Bonds, Series 2025A
(Alpha Lifestyle Partners, Inc. Project)

The purpose of this Supplement is to supplement certain information contained in the Preliminary Limited Offering Memorandum dated August 29, 2025 (the "Preliminary Limited Offering Memorandum") for the above-referenced bonds. This Supplement should be read in conjunction with the Preliminary Limited Offering Memorandum. Terms used in this Supplement have the same meaning as in the Preliminary Limited Offering Memorandum, unless specifically otherwise defined herein.

1. **August 31, 2025 Community Census**. The following table details the occupancy of each Community and the Portfolio as of August 31, 2025:

Community	Beds/Units Occupied	Beds/Units Capacity	Occupancy Percentage
Fairways at Naples	48	54	88.9%
Liana of Venice	52	54	96.3%
Sage Lake Senior Living[(1)]	76	82	92.7%
Portfolio Total	176	190	92.6%

[(1)] 61 of 66 assisted living units and 15 of 16 memory care beds occupied

2. **Covenant to Apply for a Rating on the Series 2025A Bonds**.

Once each calendar year, commencing in the calendar year ending 2027, following the delivery of the audited financial statements for Fiscal Year ending December 31 of the prior year pursuant to Section 3.07(b) of the Master Indenture, until a rating of Ba1 or higher by Moody's or BB+ or higher by S&P has been attained, the Borrower shall seek advice from Stifel, Nicolaus & Company, Incorporated, or such other underwriting firm selected by the Borrower and knowledgeable in the underwriting of bonds similar to the Series 2025A Bonds, as to whether a rating on the Series 2025A Bonds of Ba1 or higher by Moody's or BB+ or higher by S&P is reasonably attainable, and if so advised that such a rating is obtainable, the Borrower covenants to apply for a rating indication on the Series 2025A Bonds from any Rating Agency selected by the Borrower (Moody's or S&P); provided that if during any such year the Borrower receives a preliminary indication from any Rating Agency to which it has applied for a rating that the Series 2025A Bonds will not be assigned such minimum rating, the Borrower shall withdraw its rating request for such year. The Borrower will be responsible for the expense of obtaining a rating on the Series 2025A Bonds but will not be responsible for the timing of the delivery of any rating by any Rating Agency.

3. **Continuing Disclosure Agreement**. The Continuing Disclosure Agreement will provide for the following additional undertakings on the part of the Borrower (also referred to as the Obligated Person in the Continuing Disclosure Agreement):

(a) Investor Call Upon Request of Holders. In addition to the semi-annual telephone conference required under Section 7(e)(iii) of the Continuing Disclosure Agreement, at the request of Holders of at least 30% of the Bonds, the Obligated Person will hold a telephone conference call with the Holders of the Bonds, the Bond Trustee and the Master Trustee to discuss such matters as are reasonably requested by the Holders of the Bonds, the Bond Trustee and the Master Trustee, with such call to held within 15 days of the Obligated Person's receipt of the request from the requisite amount of Holders.

* Preliminary; subject to change.

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(b) Scheduled Debt Service Allocated to each Community. In addition to the Historical Financial tables required under Section 3(a)(D) of the Continuing Disclosure Agreement, the Obligated Person will include the portion of scheduled debt service on the Bonds allocable on a pro-rata basis to each Community for the applicable Fiscal Year.

4. **Receipt of Final TEFRA Approval**. On September 12, 2025, the Issuer confirmed it had received the written evidence of the approval by the Office of the Governor of the Statement of Florida for purposes of the Tax Equity and Fiscal Responsibility Act of 1982 that was a condition to the pricing of the Series 2025A Bonds (see page 6 of the PLOM for the related condition that has now been satisfied).

All other provisions of the Preliminary Limited Offering Memorandum not explicitly supplemented by this Supplement remain unchanged.

THE INFORMATION CONTAINED IN THIS SUPPLEMENT IS SUBJECT TO MORE COMPLETE INFORMATION CONTAINED IN THE PRELIMINARY LIMITED OFFERING MEMORANDUM. THIS SUPPLEMENT IS TO BE READ ONLY IN CONJUNCTION WITH THE PRELIMINARY LIMITED OFFERING MEMORANDUM. THIS SUPPLEMENT SHOULD NOT BE SEPARATED FROM THE PRELIMINARY LIMITED OFFERING MEMORANDUM AND NEITHER THIS SUPPLEMENT, NOT THE PRELIMINARY LIMITED OFFERING MEMORANDUM, MAY BE RELIED UPON IN ANY WAY INDEPENDENT OF EACH OTHER.

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This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion or amendment. The Bonds may not be sold, nor may offers to buy them be accepted, prior to the time of formal award by the issuer. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or the solicitation of an offer to buy, nor shall there by any sale of, the Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful.

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED AUGUST 29, 2025

NEW ISSUE – BOOK-ENTRY ONLY **NOT RATED – See "NO RATING" herein**

In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the tax covenants described herein, and the accuracy of certain representations and certifications made by the Issuer, the Borrower, and certain other parties described herein, interest on the Series 2025A Bonds (as defined in the Bond Indenture) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code. See "TAX MATTERS" herein regarding certain other tax considerations.

$61,125,000*
CAPITAL TRUST AUTHORITY
Senior Living Facilities
Senior Lien Revenue Bonds, Series 2025A
(Alpha Lifestyle Partners, Inc. Project)

Maturity Dates, Principal Amounts, Interest Rates and Yields as Shown on the Following Page

The Capital Trust Authority (the "Issuer"), a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida (the "State"), is issuing its (i) $61,125,000* Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025A Bonds"), and (ii) $4,300,000* Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025B Bonds," together with the Series 2025A Bonds, the "Bonds") pursuant to and secured under a Bond Indenture, dated as of September 1, 2025 (the "Bond Indenture"), between the Issuer and UMB Bank, N.A., as trustee thereunder (the "Bond Trustee"). The principal of, redemption premium, if any, and interest on the Bonds are payable from payments to be made pursuant to a Loan Agreement, dated as of September 1, 2025 (the "Loan Agreement"), between the Issuer and Alpha Lifestyle Partners, Inc., a Delaware nonstock corporation (the "Borrower").

The Series 2025B Bonds are being issued simultaneously with the Series 2025A Bonds; however, the Series 2025B Bonds are not being offered pursuant to the terms of this Limited Offering Memorandum. Certain information is included in this Limited Offering Memorandum relating to the Series 2025B Bonds since they are issued under the Bond Indenture along with the Series 2025A Bonds; however, no reference to the Series 2025B Bonds herein shall be deemed to indicate that the Series 2025B Bonds are being offered pursuant to the terms hereof.

The proceeds from the sale of the Bonds loaned to the Borrower pursuant to the terms of the Loan Agreement will be used by the Borrower and other Members of the Obligated Group (as defined herein) to (i) acquire, improve and/or equip three existing senior living facilities, two of which are located in Florida and one of which is located in Louisiana; (ii) fund a debt service reserve fund for the Series 2025A Bonds; (iii) make a deposit to the Operating Reserve Fund; (iv) fund capitalized interest for the Series 2025A Bonds; and (v) pay certain costs associated with the issuance of the Bonds. See "PLAN OF FINANCING" in this Limited Offering Memorandum.

Interest on the Series 2025A Bonds from their date of delivery is payable on each January 1 and July 1, commencing January 1, 2026.

The Bonds are subject to optional, extraordinary and mandatory redemption prior to maturity as described in this Limited Offering Memorandum. See "THE BONDS – Redemption of Bonds Prior to Maturity" in this Limited Offering Memorandum.

Payment by the Borrower of amounts due under the Loan Agreement are secured by Obligations (as defined herein) issued pursuant to the Master Trust Indenture, dated as of September 1, 2025 (as supplemented, the "Master Indenture"), among the Borrower, as the Obligated Group Representative and a Member of the Obligated Group (as defined herein), the other Members of the Obligated Group, and UMB Bank, N.A., as master trustee thereunder (the "Master Trustee"). The Borrower will cause to be issued pursuant to the Master Indenture (i) a Senior Lien Obligation (as defined herein) to secure its payment obligations under the Loan Agreement with respect to the Series 2025A Bonds, and (ii) a Junior Lien Obligation (as defined herein) to secure its payment obligations under the Loan Agreement with respect to the Series 2025B Bonds.

The Obligations will be secured by a pledge by the Obligated Group of the Pledged Assets (as defined herein), including all Gross Revenues of the Obligated Group, by mortgage liens on and security interests in the real property, improvements and equipment owned by the Obligated Group and the Residency Agreements (as defined herein). The Bonds are additionally secured by certain funds and accounts created under the Bond Indenture. The Series 2025A Bonds are separately secured by a Senior Lien Debt Service Reserve Fund (as defined herein) created under the Bond Indenture. For a more detailed description of the security available for the Bonds, see "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" in this Limited Offering Memorandum.

The Bonds are subject to certain risk factors. See "RISK FACTORS" in this Limited Offering Memorandum.

When issued, the Series 2025A Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2025A Bonds. Purchases of beneficial interests in the Series 2025A Bonds will be made in book entry form, in denominations of $100,000 of any multiple of $5,000 in excess thereof within a maturity. Purchasers will not receive certificates representing their interests in the Series 2025A Bonds, except as described herein. So long as DTC or its nominee is the registered owner of the Series 2025A Bonds, payments of principal or and interest on the Series 2025A Bonds will be made directly to DTC or to such nominee. Disbursements of such payments to DTC's Direct Participants are the responsibility of DTC, and disbursements of such payments to the Beneficial Owners are the responsibility of the Direct Participants and the Indirect Participants as more fully described herein. See Appendix F to this Limited Offering Memorandum.

The Series 2025A Bonds, and beneficial ownership interests therein, are offered hereby only to "Qualified Institutional Buyers" (as that term is defined under Rule 144A under the Securities Act of 1933, as amended (the "Securities Act")) and to "Accredited Investors" as that term is defined in Regulation D under the Securities Act. Subsequent transfers of the Bonds are subject to restrictions as described herein. See "NOTICE TO INVESTORS IN THE BONDS" in the preliminary pages of this Limited Offering Memorandum and "THE BONDS – Transfer Restrictions" herein. Each initial purchaser must execute a letter in the form set forth in Appendix G to this Limited Offering Memorandum in connection with its respective purchase of the Bonds.

Following receipt by the Issuer and the Bond Trustee of an Investment Grade Notice (as defined herein), and compliance with the requirements set forth in the Bond Indenture, the transfer restrictions described in the preceding paragraph will be removed from future transfers of the Bonds, all as further described herein.

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY OUT OF THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE CITY OF GULF BREEZE, FLORIDA AND THE CITY OF QUINCY, FLORIDA (COLLECTIVELY, THE "SPONSORING POLITICAL SUBDIVISIONS"), THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE BONDS OR THE BOND INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING SUCH BONDS BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE BONDS. THE ISSUER HAS NO TAXING POWER.

The Series 2025A Bonds are offered when, as and if issued and accepted by Stifel, Nicolaus & Company, Incorporated (the "Underwriter"), subject to prior sale or withdrawal or modification of the offer without notice and subject to the approval of validity and certain tax matters by Nixon Peabody LLP, Bond Counsel. Certain legal matters will be passed upon for the Borrower and the Obligated Group by its special counsel, Lewis Rice LLC and local counsel identified herein; for the Issuer by its counsel, Bryant Miller Olive P.A.; and for the Underwriter by Pierson Ferdinand LLP. The Series 2025A Bonds are expected to be delivered in book-entry form through The Depository Trust Company on or about September ___, 2025.

STIFEL

_____, 2025

* Preliminary; subject to change.

DATED DATES, MATURITIES, PRINCIPAL AMOUNTS,
INTEREST RATES AND YIELDS*

for

$61,125,000*
Capital Trust Authority
Senior Living Facilities
Senior Lien Revenue Bonds, Series 2025A
(Alpha Lifestyle Partners, Inc. Project)

Dated: Date of Delivery **Due: January 1, as shown below**

Term Bonds*

$1,995,000* ____% Term Bonds due January 1, 2035*, Yield: ____%, CUSIP Number(1): _____

$9,880,000* ____% Term Bonds due January 1, 2045*, Yield: ____%, CUSIP Number(1): _____

$49,250,000* ____% Term Bonds due January 1, 2061*, Yield: ____%, CUSIP Number(1): _____

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* Preliminary; subject to change.

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ISSUER

Capital Trust Authority
Gulf Breeze, Florida

ISSUER'S COUNSEL

Bryant Miller Olive P.A.
Tampa, Florida

BORROWER AND OBLIGATED GROUP REPRESENTATIVE

Alpha Lifestyle Partners, Inc.
Denver, Colorado

OBLIGATED GROUP'S ASSET MANAGER

Trinity SL Asset Manager LLC
Southlake, Texas

BORROWER'S COUNSEL

Lewis Rice LLC
St. Louis, Missouri

BOND COUNSEL

Nixon Peabody LLP

UNDERWRITER

Stifel, Nicolaus & Company, Incorporated
St. Louis, Missouri

UNDERWRITER'S COUNSEL

Pierson Ferdinand LLP

BOND TRUSTEE AND MASTER TRUSTEE

UMB Bank, N.A.
West Des Moines, Iowa

DISSEMINATION AGENT

Digital Assurance Certification L.L.C.
Orlando, Florida

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The Fairways at Naples Memory Care (Naples, Florida)

Liana of Venice Memory Care (Venice, Florida)

Sage Lake Senior Living of Convington (Covington, Louisiana)

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REGARDING USE OF THIS LIMITED OFFERING MEMORANDUM

No dealer, salesman or any other person has been authorized by the Issuer, the Borrower, the Obligated Group or the Underwriter to provide any information or to make any representation other than those contained herein in connection with the offering of the Series 2025A Bonds, and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Limited Offering Memorandum does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby by any person in any jurisdiction in which such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

This Limited Offering Memorandum and the information contained herein are subject to completion or amendment. The Series 2025A Bonds may not be sold nor may offers to buy be accepted prior to the time the Limited Offering Memorandum is delivered in final form. Under no circumstances will this Limited Offering Memorandum constitute an offer to sell, or a solicitation of an offer to sell or a solicitation of an offer to buy nor will there be any sale of the Series 2025A Bonds in any such jurisdiction in which said offer or sale would not be lawful prior to registration or qualification under the securities laws of any such jurisdiction.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER THE LAWS OF ANY OTHER JURISDICTION, AND NEITHER THE MASTER INDENTURE NOR THE BOND INDENTURE HAS BEEN, AND IS NOT REQUIRED TO BE, QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF THE SECURITIES LAWS OF THE STATES, IF ANY, IN WHICH THE BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN CERTAIN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE BONDS OR THE ACCURACY OR COMPLETENESS OF THIS LIMITED OFFERING MEMORANDUM.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THE SERIES 2025A BONDS ARE BEING OFFERED AND SOLD ONLY TO "QUALIFIED INSTITUTIONAL BUYERS" WITHIN THE MEANING OF RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR, WITH RESPECT TO THE SERIES 2025A BONDS, ACCREDITED INVESTORS AS DEFINED IN REGULATION D UNDER THE 1933 ACT, AS AMENDED. EACH INITIAL PURCHASER OF THE BONDS WILL BE REQUIRED TO DELIVER AN INVESTOR LETTER IN THE FORM ATTACHED HERETO AS APPENDIX G IN CONNECTION WITH ITS PURCHASE PROVIDING REPRESENTATIONS AND ASSURANCES TO THE ISSUER, THE BORROWER AND THE UNDERWRITER REGARDING, AMONG OTHER MATTERS, THE PURCHASER'S KNOWLEDGE AND SOPHISTICATION IN THE EVALUATION AND PURCHASE OF SECURITIES SUCH AS THE BONDS AND THE PURCHASER'S STATUS AS A QUALIFIED INSTITUTIONAL BUYER OR, WITH RESPECT TO THE SERIES 2025A BONDS, AN ACCREDITED INVESTOR. THE TRANSFER OF THE BONDS IS RESTRICTED PURSUANT TO THE TERMS OF THE BOND INDENTURE TO QUALIFIED INSTITUTIONAL BUYERS OR, WITH RESPECT TO THE SERIES 2025A BONDS, ACCREDITED INVESTORS UNLESS AND UNTIL (A) THE BOND TRUSTEE AND THE ISSUER HAVE RECEIVED AN INVESTMENT GRADE NOTICE (AS DEFINED HEREIN), AND (B) THE BOND TRUSTEE HAS RECEIVED THE AUTHORIZATION AND DIRECTION OF THE ISSUER TO REMOVE SUCH TRANSFER RESTRICTIONS AS FURTHER DESCRIBED HEREIN.

No quotations from or summaries or explanations of provisions of laws and documents herein purport to be complete, and reference is made to such laws and documents for full and complete statements of their provisions. This Limited Offering Memorandum is not to be construed as a contract or agreement between the Issuer and the purchasers or owners of any of the Series 2025A Bonds. Any statements made in this Limited Offering Memorandum involving

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estimates or matters of opinion, whether or not expressly so stated, are intended merely as estimates or opinions and not as representations of fact.

The order and placement of materials in this Limited Offering Memorandum, including the appendices, are not to be deemed a determination of relevance, materiality or importance, and this Limited Offering Memorandum, including the appendices, must be considered in its entirety. The captions and headings in this Limited Offering Memorandum are for convenience only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provisions or sections of this Limited Offering Memorandum. The offering of the Series 2025A Bonds is made only by means of this entire Limited Offering Memorandum. The Series 2025B Bonds are not being offered by means of this Limited Offering Memorandum.

The Underwriter has reviewed the information in this Limited Offering Memorandum in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. All estimates and assumptions contained herein are believed to be reliable, but no representation is made that such estimates or assumptions are correct or will be realized. The information contained herein is subject to change without notice and neither the delivery of this Limited Offering Memorandum nor any sale made hereunder will under any circumstances create any implication that there has been no change in the affairs of the parties referred to above since the date hereof or the earlier date set forth herein as of which certain information contained herein is given.

The Issuer neither has nor assumes responsibility for any information in this Limited Offering Memorandum, except for the information under the captions "**THE ISSUER**," "**DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS**" and "**LITIGATION - The Issuer**." Although this Limited Offering Memorandum contains information from sources believed to be reliable, the Issuer makes no representations as to the contents of this Limited Offering Memorandum other than those referenced above. **THE ISSUER ASSUMES NO RESPONSIBILITY FOR THE ACCURACY, SUFFICIENCY OF DISCLOSURE OR COMPLETENESS OF ANY INFORMATION PROVIDED BY THE BORROWER, THE BOND TRUSTEE, THE MASTER TRUSTEE OR ANY OTHER PERSON OR ENTITY.**

Neither the Bond Trustee nor the Master Trustee has participated in the preparation of, or reviewed, this Limited Offering Memorandum.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Limited Offering Memorandum.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS LIMITED OFFERING MEMORANDUM

Certain statements included or incorporated by reference in this Limited Offering Memorandum constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "anticipate," "budget" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS, INCLUDING, BUT NOT LIMITED TO THOSE DESCRIBED UNDER THE CAPTION "RISK FACTORS," WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. NEITHER THE CORPORATION NOR ANY OTHER PARTY PLANS TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN THEIR EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES UPON WHICH SUCH STATEMENTS ARE BASED OCCUR.

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NOTICE TO INVESTORS IN THE SERIES 2025A BONDS

Each initial investor in the Series 2025A Bonds will be required to execute a letter ("**Investor Letter**") substantially in the form attached hereto as **Appendix G**. Each initial and any subsequent investors in the Series 2025A Bonds or any beneficial interests therein (each, an "**Investor**"), by its acceptance of such Series 2025A Bonds, will be deemed to have represented and agreed as follows:

1. Each initial investor is either (i) a "qualified institutional buyer" ("**Qualified Institutional Buyer**") as that term is defined in Rule 144A under the Securities Act of 1933, as amended (the "**Securities Act**"); or (ii) an "accredited investor" as that term is defined in Regulation D under the Securities Act, as amended ("**Accredited Investor**"); with sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal obligations, to be able to evaluate the risks and merits of the investment represented by the Series 2025A Bonds. Any subsequent Investor will be a Qualified Institutional Buyer or an Accredited Investor with such knowledge and experience, unless and until (a) the Bond Trustee and the Issuer have received an Investment Grade Notice (as defined in the Bond Indenture), and (b) the Bond Trustee has received the authorization and direction of the Issuer to remove the above described transfer restrictions, the restrictions with respect to sale or transfer to Qualified Institutional Buyers and Accredited Investors shall no longer apply during the Investment Grade Period.

2. The Investor acknowledges that the Series 2025A Bonds are being acquired by the Investor for investment and not with a current view to, or for resale in connection with, any distribution of the Series 2025A Bonds, and the Investor intends to hold the Series 2025A Bonds solely for its own account for investment purposes for an indefinite period of time, and does not intend at this time to dispose of all or any part of the Series 2025A Bonds; provided, however, the Investor may sell the Series 2025A Bonds at any time the Investor deems appropriate, subject to the transfer restrictions set forth in the Series 2025A Bonds and in the Bond Indenture. The Investor agrees that such transfer restrictions provide that beneficial ownership of the Series 2025A Bonds may be transferred only to a Qualified Institutional Buyer or an Accredited Investor, and only in denominations of $100,000 and any integral multiple of $5,000 in excess thereof, except that a Series 2025A Bond held by an Owner that has become held in a denomination of less than $100,000 as a result of a partial redemption of such Series 2025A Bond may be transferred or exchanged by such Owner or subsequent Owner but only to transferees permitted under the Bond Indenture, unless and until (a) the Bond Trustee and the Issuer have received an Investment Grade Notice, and (b) the Bond Trustee has received the authorization and direction of the Issuer to remove such transfer restrictions. The Investor understands that it may need to bear the risks of its investment in the Series 2025A Bonds for an indefinite time, because a sale of the Series 2025A Bonds, or any portion thereof, prior to maturity may not be possible. The Investor understands and agrees that (a) the Series 2025A Bonds will be issued only in Authorized Denominations (as defined in the Bond Indenture), and confirms that it will not allocate any Series 2025A Bonds to accounts in violation of such limitations; and (b) to the extent the Investor is purchasing the Series 2025A Bonds not on its own behalf but in its capacity as investment adviser to beneficial owners of separately managed accounts, such accounts will solely be for investors which meet the qualifications for investors as set forth in the Bond Indenture and as described in this paragraph. The Investor understands that the Underwriter will not facilitate the establishment of such accounts and confirms that it will not facilitate the deposit of Series 2025A Bonds into accounts in violation of such limitations.

3. The Investor understands that the Series 2025A Bonds are not, and are not intended to be, registered under the Securities Act and that such registration is not legally required as of the date hereof, and further understands that the Series 2025A Bonds (a) are not being registered or otherwise qualified for sale under the "blue sky" laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, and (c) will be delivered in a form that may not be readily marketable.

4. The Investor reviewed the Limited Offering Memorandum for the Series 2025A Bonds prepared in connection with the Series 2025A Bonds (the "**Offering Document**"). Neither the Issuer nor the Underwriter has made any representations to the Investor other than as set forth in the Offering Document, if and as amended.

5. The Investor acknowledges that the obligations of the Issuer under the Bond Indenture are limited and carry material risks associated with the timely and full payment of principal and interest on the Series 2025A Bonds given the nature of the securities and the security pledges including the risks as described in the Offering Document.

6. The Investor acknowledges and agrees that the Issuer and the Underwriter take no responsibility for, and make no representation to the Investor, or any subsequent purchaser, with regard to, a sale, transfer or other disposition of the Series 2025A Bonds in violation of the provisions of the Bond Indenture, or any securities law or income tax law consequences thereof. The Investor also acknowledges that, with respect to the Issuer's obligations and liabilities, the

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Investor is solely responsible for compliance with the sales restrictions on the Series 2025A Bonds in connection with any subsequent transfer of the Series 2025A Bonds made by the Investor.

7. The Investor agrees that it is bound by and will abide by the provisions of the Bond Indenture relating to transfer and the restrictions noted on the face of the Series 2025A Bonds. The Investor also covenants to comply with all applicable federal and state securities laws, rules and regulations in connection with any resale or transfer of the Series 2025A Bonds by the Investor.

8. The Investor acknowledges and accepts the following:

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE SERIES 2025A BONDS IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY OUT OF THE TRUST ESTATE. THE SERIES 2025A BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE CITY OF GULF BREEZE, FLORIDA AND THE CITY OF QUINCY, FLORIDA (COLLECTIVELY, THE "SPONSORING POLITICAL SUBDIVISIONS"), THE STATE OF FLORIDA (THE "STATE") OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2025A BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE SERIES 2025A BONDS OR THE BOND INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING SUCH SERIES 2025A BONDS BE LIABLE PERSONALLY ON THE SERIES 2025A BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE SERIES 2025A BONDS. THE ISSUER HAS NO TAXING POWER.

NO RECOURSE UNDER OR UPON ANY OBLIGATION, COVENANT OR AGREEMENT CONTAINED IN THE BOND DOCUMENTS, OR UNDER ANY JUDGMENT OBTAINED AGAINST THE ISSUER, OR THE ENFORCEMENT OF ANY ASSESSMENT, OR ANY LEGAL OR EQUITABLE PROCEEDINGS BY VIRTUE OF ANY CONSTITUTION OR STATUTE OR OTHERWISE, OR UNDER ANY CIRCUMSTANCES UNDER OR INDEPENDENT OF THE BOND INDENTURE, SHALL BE HAD AGAINST ANY INCORPORATOR, MEMBER, DIRECTOR, OFFICER, EMPLOYEE, AGENT OR COUNSEL AS SUCH, PAST, PRESENT OR FUTURE OF THE ISSUER, EITHER DIRECTLY OR THROUGH THE ISSUER OR OTHERWISE, FOR THE PAYMENT FOR OR TO THE ISSUER OR ANY RECEIVER THEREOF, OR FOR OR TO THE OWNER OF ANY SERIES 2025A BOND ISSUED UNDER THE BOND INDENTURE, OR OTHERWISE, OF ANY SUM THAT MAY BE DUE AND UNPAID BY THE ISSUER UPON ANY SUCH SERIES 2025A BOND. ANY AND ALL PERSONAL LIABILITY OF EVERY NATURE WHETHER AT COMMON LAW OR IN EQUITY OR BY STATUTE OR BY CONSTITUTION OR OTHERWISE OF ANY SUCH INCORPORATOR, MEMBER, DIRECTOR, OFFICER, EMPLOYEE, AGENT OR COUNSEL, AS SUCH, TO RESPOND BY REASON OF ANY ACT OR OMISSION ON HIS PART OR OTHERWISE, FOR THE PAYMENT FOR OR TO THE OWNER OF ANY SERIES 2025A BOND ISSUED UNDER THE BOND INDENTURE OR OTHERWISE OF ANY SUM THAT MAY REMAIN DUE AND UNPAID UPON THE SERIES 2025A BONDS THEREBY SECURED OR ANY OF THEM IS, BY THE ACCEPTANCE HEREOF, EXPRESSLY WAIVED AND RELEASED AS A CONDITION OF AND IN CONSIDERATION FOR THE EXECUTION OF THE BOND INDENTURE AND THE ISSUANCE OF THE SERIES 2025A BONDS.

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LIMITED OFFERING MEMORANDUM

relating to

$61,125,000*
Capital Trust Authority
Senior Living Facilities
Senior Lien Revenue Bonds, Series 2025A
(Alpha Lifestyle Partners, Inc. Project)

INTRODUCTION

The following introductory statement is subject in all respects to more complete information contained elsewhere in this Limited Offering Memorandum. The order and placement of materials in this Limited Offering Memorandum, including the appendices, are not to be deemed to be a determination of relevance, materiality or relative importance, and this Limited Offering Memorandum, including the cover pages and appendices, must be considered in its entirety. All capitalized terms used in this Limited Offering Memorandum that are not otherwise defined herein shall have the meanings ascribed to them in the Bond Indenture, the Loan Agreement and the Master Indenture, the forms of which are attached as Appendices C-1, C-2 and C-3, respectively, to this Limited Offering Memorandum.

The Series 2025B Bonds (as defined herein) are being issued simultaneously with the above-referenced bonds pursuant to the Bond Indenture (as defined herein) and, therefore, certain information with respect to the Series 2025B Bonds is included in this Limited Offering Memorandum. The Series 2025B Bonds are not being offered pursuant to this Limited Offering Memorandum and no reference herein shall be deemed to constitute an offer with respect to such bonds. Any reference to the Bonds being sold pursuant to the terms of this Limited Offering Memorandum shall be deemed to be references to only the Series 2025A Bonds.

Purpose of the Limited Offering Memorandum

The purpose of this Limited Offering Memorandum (this "**Limited Offering Memorandum**") is to set forth certain information in connection with (i) the issuance by the Capital Trust Authority (the "**Issuer**"), a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida (the "**State**"), of its Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc. Project), in the aggregate principal amount of $61,125,000* (the "**Series 2025A Bonds**" or the "**Senior Lien Bonds**"), (ii) Alpha Lifestyle Partners, Inc., a Delaware nonstock corporation (the "**Borrower**"), and the other Members of the Obligated Group (as defined herein), and (iii) the Communities (as defined herein) being acquired by certain Members of the Obligated Group in connection with the issuance of the Bonds (as defined herein).

The offering of the Series 2025A Bonds is made only by way of this Limited Offering Memorandum, which supersedes any other information or materials used in connection with the offer and sale of the Series 2025A Bonds. This Limited Offering Memorandum speaks only as of its date, and the information contained herein is subject to change.

Purpose of the Bonds

The Bonds are being issued pursuant to the terms of a Bond Indenture, dated as of September 1, 2025 (the "**Bond Indenture**"), between the Issuer and UMB Bank, N.A., as bond trustee (the "**Bond Trustee**"). See the caption "**THE BONDS**" in this Limited Offering Memorandum and the form of the Bond Indenture attached as **Appendix C-1** to this Limited Offering Memorandum.

As noted above, simultaneously with the issuance of the Series 2025A Bonds under the Bond Indenture, the Issuer will issue its Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc.

* Preliminary; subject to change.

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Project), in one or more subseries in the aggregate principal amount of $4,300,000* (the "**Series 2025B Bonds**" or the "**Junior Lien Bonds**," together with the Series 2025A Bonds, the "**Bonds**") under the terms of the Bond Indenture. *Certain limited information concerning the Series 2025B Bonds is included in this Limited Offering Memorandum; however, the Series 2025B Bonds are not being offered pursuant to the terms of this Limited Offering Memorandum.*

The Issuer and the Borrower will enter into a Loan Agreement, dated as of September 1, 2025 (the "**Loan Agreement**"), pursuant to which the Issuer will loan the proceeds of the Bonds to the Borrower, and the Borrower will covenant to repay the Bonds, all as more particularly described in this Limited Offering Memorandum and in the Loan Agreement, the form of which is attached as **Appendix C-2** to this Limited Offering Memorandum.

The proceeds from the sale of the Bonds loaned to the Borrower pursuant to the terms of the Loan Agreement will be used by the Borrower and other Members of the Obligated Group to (i) acquire, improve and/or equip three existing senior living facilities (each, a "**Community**" and, collectively, the "**Communities**," the "**Portfolio**" or the "**Projects**"), two of which are located in Florida and one of which is located in Louisiana; (ii) fund a debt service reserve fund for the Series 2025A Bonds; (iii) make a deposit to the Operating Reserve Fund; (iv) fund capitalized interest for the Series 2025A Bonds; and (v) pay certain costs associated with the issuance of the Bonds. See the caption "**PLAN OF FINANCING**" in this Limited Offering Memorandum for additional information relating to the use of funds derived from the sale of the Bonds and information with respect to certain other related transactions.

The Borrower's payment obligations under the Loan Agreement with respect to the Series 2025A Bonds are further secured by Obligation No. 1 ("**Obligation No. 1**") issued as a Senior Lien Obligation pursuant to the terms of the Master Trust Indenture, dated as of September 1, 2025 (the "**Original Master Indenture**"), among the Borrower, as Obligated Group Representative and as a Member of the Obligated Group, the other Members of the Obligated Group and UMB Bank, N.A., as master trustee (the "**Master Trustee**"), as amended and supplemented, including, but not limited to, pursuant to (i) Supplemental Master Indenture for Obligation No. 1, and (ii) Supplemental Master Indenture for Obligation No. 2, each dated as of September 1, 2025 (collectively, the "**Supplemental MTIs**") (the Original Master Indenture, as amended and supplemented, including pursuant to the Supplemental MTIs, the "**Master Indenture**"), among the Borrower, as Obligated Group Representative and a Member of the Obligated Group, the other Members of the Obligated Group, and the Master Trustee. The Borrower's payment obligations under the Loan Agreement with respect to the Series 2025B Bonds are further secured by Obligation No. 2 ("**Obligation No. 2**") issued as a Junior Lien Obligation pursuant to the Master Indenture. See the form of the Master Indenture attached as **Appendix C-3** to this Limited Offering Memorandum.

The Obligations issued under the Master Indenture are the joint and several obligations of each of the Members of the Obligated Group. As security for its obligation under the Master Indenture, each Member of the Obligated Group has pledged and granted a security interest to the Master Trustee in (i) all Gross Revenues (as defined in the Master Indenture), (ii) all Residency Agreements (as defined in the Master Indenture) including, without limitation, all rights to payment thereunder, (iii) a Mortgage (as defined herein) on each Community has been granted to the Master Trustee by the applicable Member of the Obligated Group acquiring each Community in connection with the issuance of the Bonds, and (iv) certain other funds and accounts, all as described herein (see the captions "**Security and Sources of Payment for the Bonds**" and "**The Master Indenture**" below).

The Borrower and the Obligated Group

The Borrower (also referred to as ALP or Alpha in **Appendix A-1**) is a Delaware nonstock corporation, formed on March 6, 2024 for the charitable purpose of facilitating and providing housing to senior citizens in independent living, assisted living and memory care living arrangements. The Borrower is an organization described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "**Code**"), exempt from federal income tax under Section 501(a) of the Code (except from unrelated business income tax imposed pursuant to Section 511 of the Code).

The Borrower serves as the Obligated Group Representative and is a Member of the Obligated Group established under the Master Indenture. See the captions "**THE BORROWER, THE OBLIGATED GROUP AND THE PORTFOLIO ACQUISITION**" in this Limited Offering Memorandum and **Appendix A-1** to this Limited Offering

* Preliminary; subject to change.

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Memorandum for more information regarding the Borrower, the Obligated Group and the Communities, including information related to the acquisition of the Communities by the Obligated Group in connection with the issuance of the Bonds.

Security and Sources of Payment for the Bonds

The Bonds and the interest thereon are special, limited obligations of the Issuer, payable (except to the extent paid out of Bond proceeds or the income from the temporary investment thereof) solely from certain payments to be made by the Borrower under the Loan Agreement, from payments on the Obligations issued to evidence and secure the obligations of Borrower under the Loan Agreement and from certain other funds held by the Bond Trustee under the Bond Indenture, and not from any other fund or source of the Issuer, and are secured under the Bond Indenture and the Loan Agreement as described herein. Payments under the Loan Agreement are designed to be sufficient, together with other funds available for such purpose, to pay when due the principal of, premium, if any, and interest on the Bonds.

Subject only to the provisions of the Bond Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein, the Bond Indenture pledges:

(i) to secure the payment of the principal of, Redemption Price, if any, and interest on the Series 2025A Bonds (as Senior Lien Bonds), and subject to the priority of the Series 2025A Bonds (as Senior Lien Bonds) over the Series 2025B Bonds (as Junior Lien Bonds),

(ii) to secure the payment of the principal of, Redemption Price, if any, and interest on the Series 2025B Bonds (as Junior Lien Bonds),

all of the (i) Revenues and (ii) any other amounts (including proceeds of the sale of Bonds, but excluding payments made pursuant to Issuer's Reserved Rights) held by the Bond Trustee in any Fund or Account established pursuant to the Bond Indenture (other than the Rebate Fund). Under the Bond Indenture, "**Revenues**" means all amounts received by the Bond Trustee for the account of the Issuer pursuant to or with respect to the Loan Agreement or Obligations, including, without limiting the generality of the foregoing, Loan Repayments (including both timely and delinquent payments and any late charges, and whether paid from any source), Required Payments (as defined in the Master Indenture), prepayments and all interest, profits or other income derived from the investment of amounts in any fund or account established pursuant to the Bond Indenture, but not including any Additional Payments, the Annual Issuer's Fee, any payments with respect to the Issuer's Reserved Rights, or any moneys required to be deposited in the Rebate Fund.

Pursuant to the Bond Indenture, the Issuer will transfer in trust, grant a security interest in and assigns to the Bond Trustee in trust, for the benefit of the Holders from time to time of the Bonds, all of the Revenues and other assets pledged pursuant to the preceding paragraph and all of the right, title and interest of the Issuer in the Loan Agreement (except for Issuer's Reserved Rights) and the Obligations (collectively, the "**Trust Estate**"). The Issuer will cause the Obligations to be registered in the name of the Bond Trustee. The assignment under the Bond Indenture is to the Bond Trustee solely in its capacity as Bond Trustee thereunder and subject to the provisions of the Bond Indenture and in taking or refraining from taking any action under the Loan Agreement pursuant to such assignment, the Bond Trustee shall be entitled to all of the rights, protections and limitations from liability afforded it as Bond Trustee under the Bond Indenture. Subject to the foregoing, the Bond Trustee shall be entitled to and shall, subject to the provisions of the Bond Indenture, take all steps, actions and proceedings reasonably necessary in its judgment to enforce all of the rights of the Issuer and all of the obligations of the Borrower under the Loan Agreement and the Obligations, other than Issuer's Reserved Rights.

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY OUT OF THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR

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INTEREST ON THE BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE BONDS OR THE BOND INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING SUCH BONDS BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE BONDS. THE ISSUER HAS NO TAXING POWER.

See the caption "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**" in this Limited Offering Memorandum

The Master Indenture

The Members of the Obligated Group are entering into the Master Indenture in connection with the issuance of the Bonds. The Master Indenture sets forth the covenants relating to, and provides the terms and conditions upon which, Obligations (including the Obligations issued to secure the Borrower's obligations under the Loan Agreement and any Obligations in the future issued thereunder) and other Indebtedness of the Members of the Obligated Group may be issued and secured. Each Obligation issued under the Master Indenture can be issued as a Senior Lien Obligation or as a Junior Lien Obligation. All Senior Lien Obligations issued from time to time under the Master Indenture are and will be secured on a parity basis without priority of any Senior Lien Obligation over any other Senior Lien Obligation. All Junior Lien Obligations issued from time to time under the Master Indenture will be secured on a subordinate basis to the Outstanding Senior Lien Obligations and are and will be secured on a parity basis without priority of any Junior Lien Obligation over any other Junior Lien Obligation.

As security for its obligation under the Master Indenture, each Member of the Obligated Group has pledged and granted a security interest to the Master Trustee in (i) all Gross Revenues (as defined in the Master Indenture), (ii) all Residency Agreements (as defined in the Master Indenture) including, without limitation, all rights to payment thereunder, (iii) a Mortgage on each Community has been granted to the Master Trustee by the applicable Member of the Obligated Group acquiring each Community in connection with the issuance of the Bonds, (iv) each fund or account (other than the Administrative Costs Fund established under the Master Indenture and any other fund or account created and excluded pursuant to a Related Supplement) and (v) all financial assets (as defined in Article 8 of the Florida Uniform Commercial Code), instruments, money and other property credited to or on deposit in any such fund or account, and the proceeds thereof. Each Member of the Obligated Group acquiring a Community has also delivered collateral assignments to the Master Trustee related to the Management Agreements and certain other contracts related to the operation of the related Community.

The Obligated Group will cause the Master Trustee to issue, under the Master Indenture, the Obligations, in the same aggregate principal amount as each series of the Bonds, evidencing and securing the obligation of the Borrower to make Loan Payments under the Loan Agreement sufficient to pay the principal of, premium, if any, and interest on the related series of the Bonds. All of the right, title and interest of the Issuer in the Obligations will be pledged and assigned by the Issuer to the Bond Trustee under the Bond Indenture as security for the Bonds. The Master Indenture provides that Obligations issued thereunder are the joint and several obligations of each of the Members of the Obligated Group. The Obligations issued to secure the Borrower's obligations under the Loan Agreement will be the first issuance of Obligations under the Master Indenture and the only Obligations outstanding at the time of issuance of the Bonds.

The Master Indenture contains certain restrictions on the use and application of revenues generated by the Members of the Obligated Group, the operations and activities of the Members of the Obligated Group, including, among other things, covenants restricting the incurrence of additional Indebtedness and the creation of liens on Property, except as permitted by the Master Indenture.

See the caption "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS - The Master Indenture**" in this Limited Offering Memorandum and the form of the Master Indenture attached as **Appendix C-3** to this Limited Offering Memorandum.

Book-Entry Only Bonds

The Bonds, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("**DTC**"), to which principal and interest payments will be payable. The Issuer, the Borrower and the Bond

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Trustee will recognize DTC or its nominee, Cede & Co., while the Registered Holder, as the owner of the Bonds, for all purposes, including payment, notices and voting. Conveyance of payments, notices and other communications by DTC to Participants (herein defined) for subsequent disbursement to Beneficial Holders (herein defined) of the Bonds will be governed by arrangements with DTC, subject to any statutory and regulatory requirements as may be in effect from time to time. See **Appendix F** to this Limited Offering Memorandum.

Third Party Reports

Feasibility Study. Forvis Mazars, LLP has prepared a Financial Feasibility Study, dated August 28, 2025 (the "**Feasibility Study**"), which is attached as **Appendix B** to this Limited Offering Memorandum. The Feasibility Study includes management's financial forecast of the Obligated Gorup for remainder of the fiscal year ending December 31, 2025 and each of the four years ending December 31, 2029. As stated in the Feasibility Study , there will usually be differences between the forecasted data and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. **The forecast contained in the Feasibility Study constituted forward-looking statements and the Feasibility Study should be read in its entirety, including the assumptions stated therein.**

Combined Financial Statements. In connection with the planned issuance of the Series 2025A Bonds and the acquisition of the Communities, the Borrower prepared the combined balance sheet as of December 31, 2024 and the related combined statements of operations, changes in members' equity and cash flows for the year then ended and engaged Crowe LLP to perform a compilation engagement with respect to such statements. The combined financial statements and the report of Crowe LLP with respect thereto are attached as **Appendix A-2** to this Limited Offering Memorandum.

Appraisals. Appraisals were prepared by Newmark Valuation & Advisory with respect to each of the Communities (see the caption "**OBLIGATED GROUP – Appraisals of Communities**" in **Appendix A-1** to this Limited Offering Memorandum). Copies of the most recent appraisals are attached to this Limited Offering Memorandum as **Appendix A-3** (Fairways at Naples), **Appendix A-4** (Liana of Venice) and **Appendix A-5** (Sage Lake Senior Living).

Risk Factors

AN INVESTMENT IN THE BONDS INVOLVES SUBSTANTIAL RISK. AN INVESTOR IS ADVISED TO READ THE ENTIRE LIMITED OFFERING MEMORANDUM, INCLUDING THE PORTIONS UNDER THE CAPTION "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" AND "RISK FACTORS." Careful consideration should be given to the risks described therein and other risks described elsewhere in this Limited Offering Memorandum. Among other things, since the Bonds are payable solely from revenues of the Obligated Group and other moneys pledged to such payment, careful evaluation should be made of certain factors that may adversely affect the ability of the Obligated Group to generate sufficient revenues to pay expenses of operation, and the principal of, premium, if any, and interest on the Bonds.

ADDITIONAL INFORMATION

The summaries of or references to constitutional provisions, statutes, resolutions, agreements, contracts, financial statements, reports, publications and other documents or compilations of data or information set forth in this Limited Offering Memorandum do not purport to be complete statements of the provisions of the items summarized or referred to and are qualified in their entirety by the actual provisions of such items, copies of which are either publicly available or available during the initial offering the Series 2025A Bonds until the date of issuance upon request and the payment of a reasonable copying, mailing and handling charge from the Underwriter, Stifel, Nicolaus & Company, Incorporated, One Financial Plaza, 501 North Broadway, St. Louis, Missouri 63102.

THE ISSUER

General

The Issuer is a legal entity duly created and a public agency duly organized and validly existing under the laws of the State, established for the purposes set forth under Section 163.01, Florida Statutes, Chapter 166, Part II, Florida Statutes, Chapter 617, Florida Statutes, and Chapter 159, Florida Statutes, each as amended; the Enabling Resolutions (as

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defined in the Bond Indenture); Ordinance Number 04-00, enacted by the City Council of the City of Gulf Breeze, Florida ("**Gulf Breeze**") on May 15, 2000; the City Charter of Gulf Breeze; the City Charter of the City of Quincy, Florida; the Interlocal Agreement (as defined in the Bond Indenture) with powers as a "local agency" under Chapter 159, Part II, Florida Statutes, and together with all of the home rule powers granted by the Constitution and laws of the State and all other applicable provisions of law (collectively, the "**Act**"). By the Enabling Resolutions, Resolution No. 23-24 duly adopted by the Issuer on June 20, 2024 (the "**Inducement Resolution**") and Resolution No. 41-24, duly adopted by the Issuer on October 29, 2024, as supplemented by Resolution No. 30-25, duly adopted by the Issuer on August 18, 2025 (together with the Inducement Resolution, the "**Bond Resolution**"), approvals have been duly and validly provided pursuant to the Act to issue revenue bonds for the purpose of providing funds to finance or refinance all or any part of the cost of the Projects (as defined herein) which constitutes a "project" as defined in the Act.

PROSPECTIVE INVESTORS IN THE SERIES 2025A BONDS SHOULD NOTE THAT THE SALE AND ISSUANCE OF THE SERIES 2025A BONDS IS EXPRESSLY SUBJECT TO AND CONDITIONED UPON THE RECEIPT BY THE ISSUER OF WRITTEN EVIDENCE OF THE APPROVAL BY THE OFFICE OF THE GOVERNOR OF THE STATE OF FLORIDA FOR THE PURPOSES OF THE TAX EQUITY AND FISCAL RESPONSIBILITY ACT OF 1982 ("TEFRA"). THE EXECUTION AND DELIVERY OF A CONTRACT FOR THE DELIVERY AND PURCHASE OF THE SERIES 2025A BONDS IS CONDITIONED UPON RECEIPT OF WRITTEN EVIDENCE OF THE TEFRA APPROVAL.

The Issuer neither has nor assumes responsibility for any information in this Limited Offering Memorandum, except for the information under the captions "**THE ISSUER**," "**DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS**" and "**LITIGATION – The Issuer**." Although this Limited Offering Memorandum contains information from sources believed to be reliable, the Issuer makes no representations as to the contents of this Limited Offering Memorandum other than those referenced above. THE ISSUER ASSUMES NO RESPONSIBILITY FOR THE ACCURACY, SUFFICIENCY OF DISCLOSURE OR COMPLETENESS OF ANY INFORMATION PROVIDED BY THE BORROWER, THE OTHER MEMBERS OF THE OBLIGATED GROUP, THE BOND TRUSTEE, THE MASTER TRUSTEE OR ANY OTHER PERSON OR ENTITY.

The Issuer's fees and expenses, including any charges for indemnity, relating to the Bonds or the Projects are paid from the Administrative Costs Fund established under the Master Indenture and as required under the Loan Agreement.

Validation

On May 14, 2024, the Circuit Court of the Second Judicial Circuit in and for Leon County, Florida entered a final judgment of validation confirming and validating the Issuer's conduit revenue bond program and the bonds issued pursuant thereto, which will, once issued, include the Bonds.

Limited Involvement of the Issuer

The Issuer has no obligation to review, control or oversee the activities of the Bond Trustee, the Master Trustee, the Borrower of the other Members of the Obligated Group or the compliance by any of them with any covenants or provisions of the Bond Documents or any related documents, including (without limitation) any covenants that relate to the excludability from gross income of interest on the Tax-Exempt Bonds.

The Issuer shall be under no obligation to institute any suit or to take any remedial proceeding during an Event of Default under the Bond Indenture or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of any of the trusts thereby created or in the enforcement of any rights and powers thereunder, including, without limitation, its acceptance or possession of the Projects or any component thereof, until it shall be indemnified to its satisfaction against any and all costs, expenses, outlays and counsel fees and other disbursements, and against all liability. The Issuer nevertheless may, in its sole discretion, but is not required to, begin suit, or appear in and defend a suit, or do anything else in its judgment proper to be done by it as such Issuer, without indemnity, and in such case the Issuer shall be entitled to reimbursement from any money under the Bond Indenture and, subject to the prior rights of the Bond Trustee, shall be entitled to a preference therefor over any Bonds outstanding under the Bond Indenture.

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The Issuer shall be entitled to advice of counsel concerning all matters under the Bond Indenture and its duties under the Bond Indenture, the other Bond Documents and the Borrower Documents. The Issuer may in all cases pay such compensation to such attorneys, agents and receivers and shall be entitled to reimbursement from the Borrower for all such compensation paid. The Issuer may act upon the opinion or advice of counsel, accountants, or such other professionals as the Issuer deems necessary. The Issuer shall not be responsible for any loss or damage resulting from any action or non-action based on its good faith reliance upon such opinion or advice.

The permissive right of the Issuer to do things enumerated in the Bond Indenture or in the other Bond Documents or the Borrower Documents to which the Issuer is a party shall not be construed as duties until specifically undertaken by the Issuer. The Issuer shall only be responsible for the performance of the duties expressly set forth in the Bond Indenture and in the other Bond Documents to which it is a party and shall not be answerable for other than its willful misconduct in the performance of those express duties.

The Issuer shall be protected in acting upon any opinion of counsel, notice, request, consent, direction, requisition, certificate, order, affidavit, letter, or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons and which is not contrary to the express terms of the Bond Indenture, the Loan Agreement or any other Bond Documents. Any action taken by the Issuer pursuant thereto upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent as the Holder (as defined below) of any Bond as shown on the Bond Register will be conclusive and binding upon all future owners or holders of the same Bonds and upon Bonds issued in exchange therefor or in place of such Bonds.

Limited Recourse on Bonds of the Issuer

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY OUT OF THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE BONDS OR THE BOND INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING SUCH BONDS BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE BONDS. THE ISSUER HAS NO TAXING POWER.

No recourse under or upon any obligation, covenant or agreement contained in the Bond Documents or the Borrower Documents or under any judgment obtained against the Issuer, or the enforcement of any assessment, or any legal or equitable proceedings by virtue of any constitution or statute or otherwise, or under any circumstances under or independent of the Bond Indenture, or any claim based thereon or otherwise in respect thereof, shall be had against the Sponsoring Political Subdivisions, the Issuer or any incorporator, member, director, officer, employee, agent or counsel as such, past, present or future of the Issuer, the Sponsoring Political Subdivisions, either directly or through the Issuer or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to the Beneficial Owner of any Bond issued under the Bond Indenture, or otherwise, of any sum that may be due and unpaid by the Issuer upon any such Bond. Any and all personal liability of every nature whether at common law or in equity or by statute or by constitution or otherwise of any such incorporator, member, director, officer, employee, agent or counsel, as such, to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Beneficial Owner of any Bond issued under the Bond Indenture or otherwise of any sum that may remain due and unpaid upon the Bond secured by the Bond Indenture or any of them is, by the acceptance thereof, expressly waived and released as a condition of and in consideration for the execution of the Bond Indenture and the issuance of the Bonds.

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Notwithstanding anything to the contrary contained in the Bond Indenture, the Bonds, the Loan Agreement or in any other instrument or document executed by or on behalf of the Issuer in connection with the issuance of the Bonds: (i) the Issuer shall have no obligation to take action under the Loan Agreement, the Bond Indenture, the Bonds or any other Bond Documents, or any such other instruments or documents, unless the Issuer is reasonably requested in writing by an appropriate person to take such action and is provided with indemnity and assurances satisfactory to it of payment of or reimbursement for any expenses (including attorneys' fees) in such action; (ii) neither the Issuer nor any member, director, officer, employee or agent of the Issuer shall be personally liable to the Borrower, the Bond Trustee, the Beneficial Owner of the Bonds, or any other person for any action taken by the Issuer or by its officers, agents or employees or for any failure to take action under the Bond Indenture, the Loan Agreement, the Bonds, any other financing document, or any such other instruments or documents, except that the Issuer agrees to take, or to refrain from taking, any action if so required by an injunction or if required to comply with any final judgment for specific performance; and (iii) any judgment rendered against the Issuer for breach of its obligations under the Bond Indenture, the Loan Agreement, the Bonds or such other instruments or documents, shall be payable solely from funds paid in accordance with or recovered pursuant to the Loan Agreement or revenues therefrom that have been pledged to payment of the Bonds or proceeds of the Bonds, and no personal liability or charge payable directly or indirectly from the general funds of the Issuer shall arise therefrom.

No agreements or provisions contained in the Bond Indenture nor any agreement, covenant or undertaking by the Issuer contained in any document executed by the Issuer in connection with the Projects or the issuance, sale and delivery of the Bonds shall give rise to any pecuniary liability of the Issuer or a charge against its general credit, or shall obligate the Issuer financially in any way except with respect to the Loan Agreement and the application of revenues therefrom and the proceeds of the Bonds. No failure of the Issuer to comply with any term, condition, covenant or agreement in the Bond Indenture shall subject the Issuer, its incorporators, members, directors, officers, employees, agents and counsel to liability for any claim for damages, costs or other financial or pecuniary charge except to the extent that the same can be paid or recovered pursuant to the Loan Agreement or revenues therefrom that have been pledged to payment of the Bonds or proceeds of the Bonds.

Nothing in the Bond Indenture shall preclude a proper party in interest from seeking and obtaining, to the extent permitted by law, specific performance against the Issuer for any failure to comply with any term, condition, covenant or agreement therein; provided, that (i) prior to the official filing of any petition or complaint against the Issuer, provision shall have been made in a manner satisfactory to the Issuer, for payment of its costs and expenses relating to any such petition or complaint, and (ii) no costs, expenses, damages, or other monetary relief shall be recoverable from the Issuer or its members, trustees, officers, directors, employees, agents and counsel, except as may be payable pursuant to the Loan Agreement or revenues therefrom that have been pledged to payment of the Bonds or the proceeds of the Bonds.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Pursuant to Section 517.051, Florida Statutes, as amended, no person may directly or indirectly offer or sell securities of the Issuer except by an offering circular containing full and fair disclosure of all defaults as to principal or interest on its obligations since December 31, 1975, as provided by rule of the Florida Department of Financial Services (the "**Department**"). Pursuant to Rule 69W-400.003, Florida Administrative Code, the Department has required the disclosure of the amounts and types of defaults, any legal proceedings resulting from such defaults, whether a trustee or receiver has been appointed over the assets of the Issuer, and certain additional financial information, unless the Issuer believes in good faith that such information would not be considered material by a reasonable investor.

As described herein, the Issuer has the power to issue bonds or notes for the purpose of financing other projects for other borrowers which are payable from the revenues of the particular project or such other borrowers. Revenue bonds issued by the Issuer for other projects may be in default as to principal and interest. The source of payment, however, for any such defaulted bond is separate and distinct from the source of payment of the Bonds and, therefore, any default on such bonds would not, in the judgment of the Issuer, be considered material by a potential purchaser of the Bonds.

Rule 69W-400.03, Rules for Government Securities, promulgated by the Florida Office of Financial Regulation, under Section 517.051(1), Florida Statutes ("**Rule 69W-400.03**"), requires the Issuer to disclose each and every default as to the payment of principal and interest with respect to an obligation issued by the Issuer after December 31, 1975. Rule 69W-400.03 further provides, however, that if the Issuer in good faith believes that such disclosures would not be considered material by a reasonable investor, such disclosures may be omitted. The Issuer, in the case of the Bonds, is merely a conduit for payment, in that the Bonds do not constitute a general debt, liability or obligation of the Issuer, but are instead secured by and payable solely from amounts payable under the Loan Agreement pledged in the Bond Indenture

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(exclusive of the fees and expenses of the Issuer and amounts payable to the Issuer as indemnification under certain circumstances), and amounts on deposit in the funds created under the Bond Indenture (other than the Rebate Fund). The Bonds are not being offered on the basis of the financial strength or condition of the Issuer. The Issuer believes, therefore, that disclosure of any default related to a financing not involving the Borrower or any person or entity related to the Borrower would not be material to a reasonable investor. Accordingly, the Issuer has not taken affirmative steps to contact any trustee of any other conduit bond issue of the Issuer to determine the existence of prior defaults. To the knowledge of the Issuer, based solely upon information provided by the Borrower, on behalf of itself and the Obligated Group, none of the Borrower or any other Member of the Obligated Group has been in default as to payment of principal or interest with respect to its obligations related to such bonds at any time after December 31, 1975.

THE BORROWER, THE OBLIGATED GROUP AND THE PORTFOLIO ACQUISITION

The Borrower and the Obligated Group

The Borrower is a Delaware nonstock corporation formed on March 6, 2024 for the charitable purpose of facilitating and providing housing to senior citizens in independent living, assisted living and memory care living arrangements. The Borrower is an organization described under Section 501(c)(3) of the Code, exempt from federal income tax under Section 501(a) of the Code (except from unrelated business income tax imposed pursuant to Section 511 of the Code).

The Borrower serves as the Obligated Group Representative and is a Member of the Obligated Group established under the Master Indenture. The following are the other Members of the Obligated Group:

ALP Covington, LLC, a Delaware limited liability company
ALP Naples, LLC, a Delaware limited liability company
ALP Venice, LLC, a Delaware limited liability company
Alpha Lifestyle Partners Florida, Inc., a Florida not-for-profit corporation

The Borrower and the other Members of the Obligated Group formed in Delaware and Florida were formed in connection with the acquisition of the Communities and, therefore, have had no material assets or operations prior to the issuance of the Bonds, other than those necessary in connection with the transactions described in this Limited Offering Memorandum.

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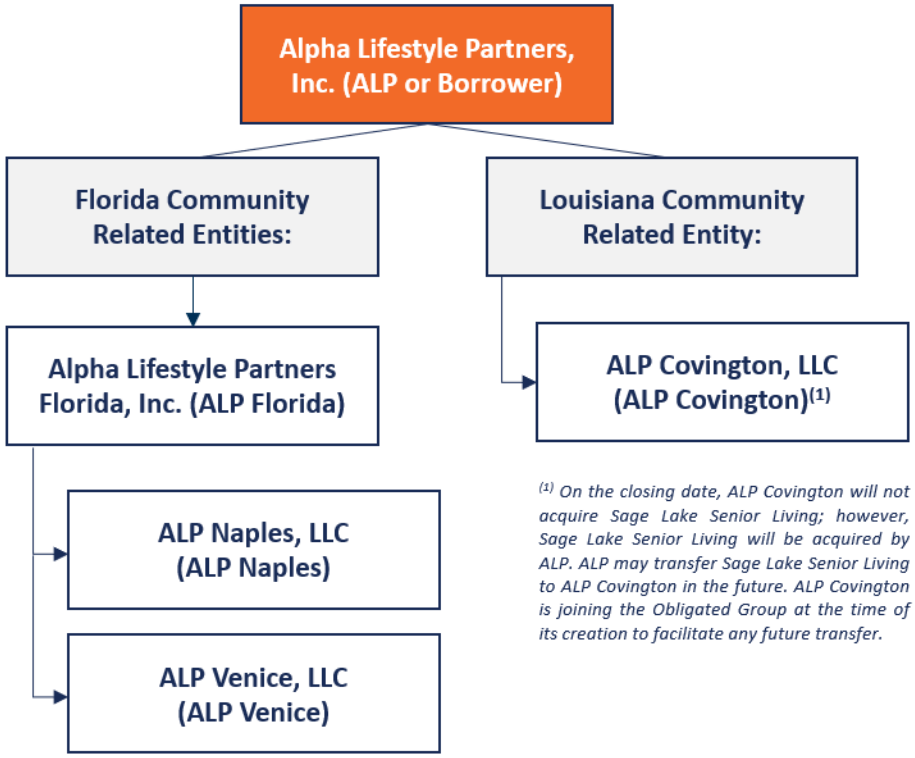
The following chart depicts the organizational structure of the Borrower and the other Members of the Obligated Group (with the other Members of the Obligated Group grouped together under the state in which the entity will operate) that will be in place on the closing date of the Bonds:



In support of its nonprofit mission, the Borrower adopted an indigent resident policy that provides that the Borrower is committed to maintaining in residence any persons who become unable to pay their regular charges through allocating up to 25% of annual donations received by the Borrower each year to subsidize rents for those residents experiencing financial hardships.

See **Appendix A-1** to this Limited Offering Memorandum for additional information about the Borrower and the other Members of the Obligated Group

The Portfolio Acquisition

The proceeds of the Bonds are being used by the Borrower and certain other Members of the Obligated Group to acquire three existing senior living facilities located in two states.

Each Community provides rental housing for senior citizens in units of varying sizes and levels of services, as further described herein. All three of the Communities offer memory care beds (all of which are located on the ground floor of the Community) and the one Community located in Louisiana also offer assisted living units. Each Community provides a high level of healthcare and associated services, including nursing stations on site, in order to provide appropriate levels of care expected and required of licensed memory care and assisted living facilities. As part of the fees paid by residents to lease their unit or bed, each Community provides an agreed to set of services and offerings. A general description of the services provided for each level of service is set forth below (see the description for each Community under the subcaption "Resident Fees and Numbers of Units/Beds" under the caption "**THE COMMUNITIES AND OPERATIONS**" in **Appendix A-1**):

Assisted Living Units. Assisted living fees include three prepared meals daily in addition to snacks; weekly housekeeping and linen service; complete apartment maintenance services (including plumbing and major appliances); 24-hour a day resident care; scheduled location transportation services to shopping, appointments

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and entertainment; all utilities (excluding phone service); calendar of programs, events and outings; health and wellness programs; and resident call response system.

Memory Care Beds. Memory care fees include three prepared meals daily in addition to snacks; daily housekeeping; personal laundry and linen service; complete apartment maintenance services (including plumbing and major appliances); 24-hour a day resident care; all utilities (excluding phone service); calendar of programs, events and outings designed for residents with memory care needs; and structured and spontaneous classes tailored for resident needs.

Additional levels of service may be available to residents for additional fees. Assisted living and memory care residents are evaluated at the time of admission (or change in service level) and at regularly scheduled intervals for health care and medical care needs. Examples of some of the services offered based on such evaluations include the following: assistance with all activities of daily living, including but not limited to, eating, bathing, dressing, grooming, toileting, ambulating and orientation; medication management including pharmacy assistance, oxygen and respiratory breathing treatments as ordered by a physician; diabetic assistance, including finger glucose monitoring and assistance with insulin administration via insulin pen; incontinence care; personal laundry services; cooperation and coordination with outside providers such as home health (physical therapy, occupational therapy, speech therapy and others as ordered by a physician) and hospice; annual flu, pneumonia and other immunization clinic.

The following chart describes the name and location of each Community, the total number of available units and beds in each Community, including a breakdown of such units and beds by the level of service or care provided to residents (*i.e.*, assisted living and memory care), and the total licensed capacity of each Community:

Community & Location	Assisted Living Units	Memory Care Beds	Total Units/Beds Capacity	Licensed Capacity
Florida Communities				
The Fairways at Naples Memory Care 3053 Airport-Pulling Road N Naples, Florida 34105	—	54	54	54
Liana of Venice Memory Care 2321 E Venice Avenue Venice, Florida 34292	—	54	54	54
Louisiana Community				
Sage Lake Senior Living of Covington 1444 Andrew Drive Covington, Louisiana 70433	66	16	82	120
	66	124	190	228

See **Appendix A-1** to this Limited Offering Memorandum for more information relating to the Borrower, the Obligated Group and the Communities, including information related to the acquisition thereof by the Obligated Group.

Trinity Investors

The information under this caption "Trinity Investors" has been obtained from Trinity (as defined herein) and none of the Issuer, the Underwriter, the Bond Trustee, or the Borrower makes any representation or warranty or takes any responsibility for the accuracy or completeness of such information. None of Trinity or any of its affiliates are obligated to make any payments related to the Bonds.

Each of the Communities is being acquired by the Obligated Group from affiliates of Trinity Investors, LLC ("**Trinity**"), a private equity firm based in Southlake, Texas. To assist the Obligated Group in the ongoing operation and management of the Portfolio, Trinity SL Asset Manager LLC, a Texas limited liability company, an affiliate of Trinity, will also serve as the Asset Manager for the Obligated Group following the acquisition of the Communities (see the caption

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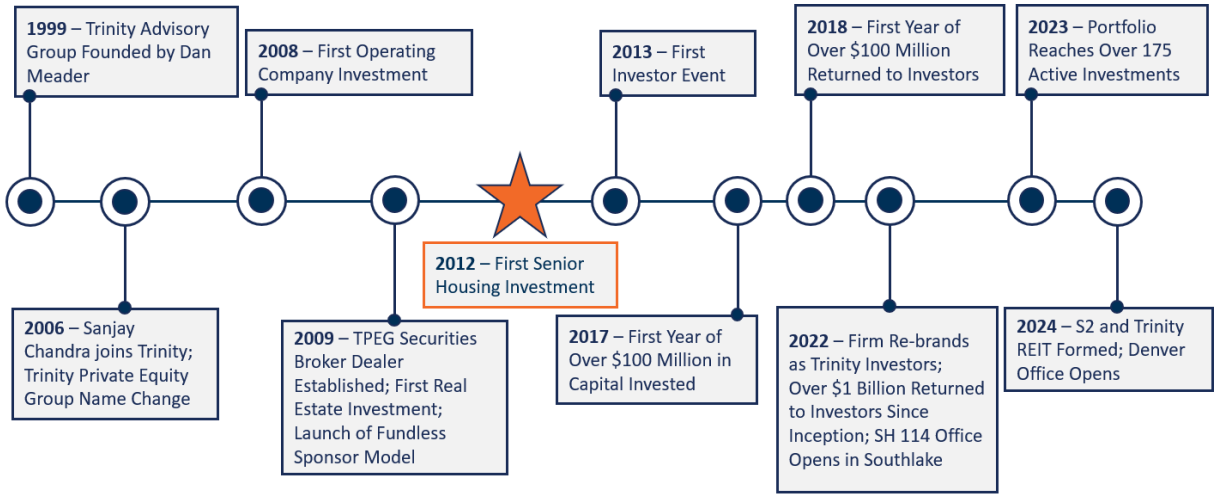
"**GENERAL INFORMATION REGARDING THE COMMUNITIES AND OPERATIONS – Asset Manager**" in **Appendix A-1** to this Limited Offering Memorandum). The form of the Asset Management Agreement is attached as **Appendix C-5** to this Limited Offering Memorandum.

Founded in 2006 by entrepreneurs Sanjay Chandra, CFA, and Dan Meader, CFA, CPA, Trinity is an alternative asset management firm providing opportunities for individuals seeking above-average risk adjusted returns through direct investment in real estate and operating companies. Trinity has invested $2.4+ billion of equity into $7.0+ billion of commercial real estate and traditional private equity portfolio companies, with $1.2+ billion returned to investors. Trinity has exited more than 70 investments and, currently, the firm's portfolio consists of over 150 commercial real estate assets and more than 20 operating companies or platforms. Alongside experienced operating partners, Trinity seeks opportunistic investments with potential for active value creation and limited downside risk. Partners with domain expertise enable Trinity's participation in a relatively wide array of investments across real estate and private equity, providing important diversification and low correlation with traditional portfolios.

The following timeline depicts selected key milestones for Trinity and its predecessor company, which collectively have been in existence for 26 years:



Trinity's investment philosophy includes the following key tenants:

- Alongside experienced operating partners, Trinity seeks opportunistic investments with potential for active value creation;
- Partners with domain expertise enable Trinity's participation in a relatively wide array of investments across real estate and operating companies, providing important diversification and low correlation with traditional portfolios
- Trinity targets significant value creation in a 3-5 year timeframe for its real estate opportunities, and 5-7 years for operating companies
- Trinity and its strategic partners are financially aligned by significant co-investments, and timely return of investment capital is incentivized with preferred returns for investors
- These key tenets combine to support its goal of delivering high risk-adjusted returns for investors

Trinity employs approximately 45 individuals across six primary departments – Investments, Portfolio Management, Accounting, Client Relations, Compliance and Operations – with offices in Southlake, Texas, Austin, Texas and Denver, Colorado. The firm also has an associated broker-dealer which it utilizes to raise investor capital through a network of 28 strategic partners, many of whom also hold full-time positions within Trinity.

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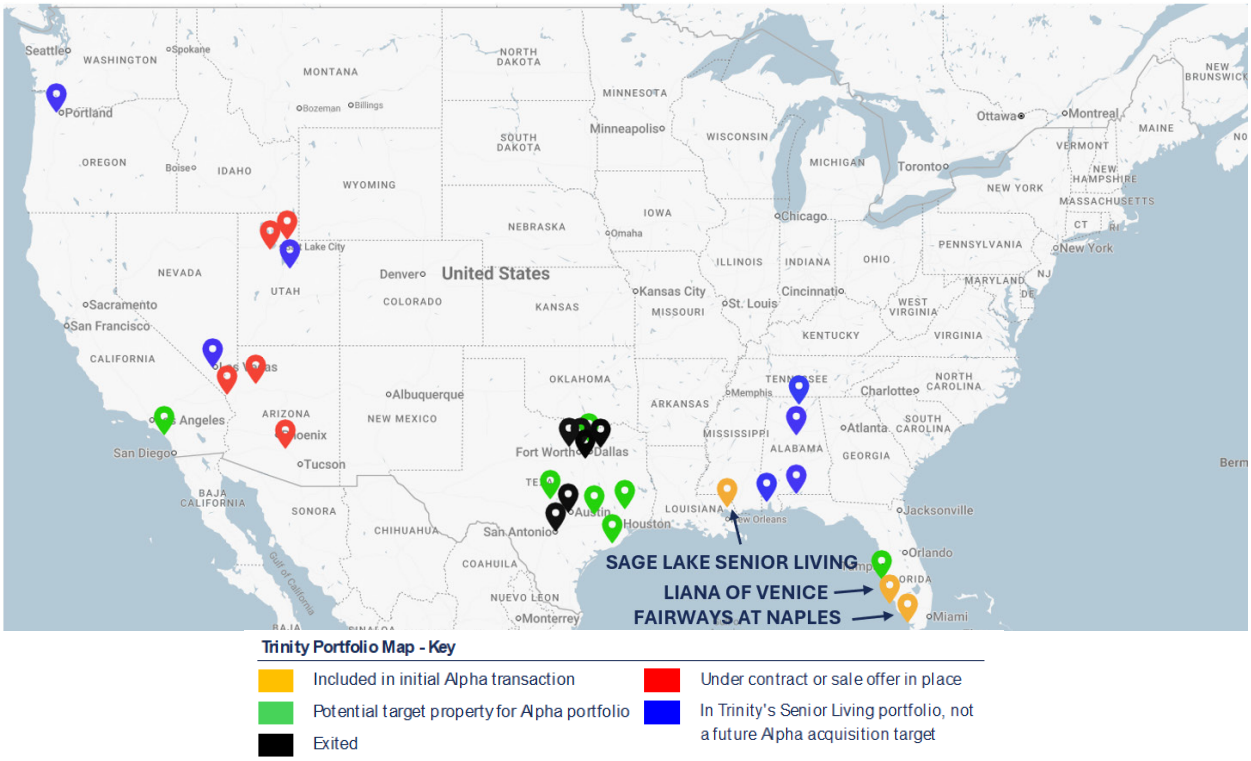
Trinity began investing in senior housing assets alongside other asset classes just after the 2008 financial crisis. Since that time, Trinity invested in 33 senior housing assets, and, prior to the transactions related to the issuance of the Bonds, has 24 facilities, having exited nine projects. Trinity has represented that it expects to continue to invest and make new acquisitions in senior living facilities and to continue to maintain investment interests in senior living properties through limited partner equity participations and through seller financing in transactions similar to the Communities.

The following map depicts the location of Trinity's existing senior living portfolio (including the Communities being acquired in connection with the issuance of the Bonds and facilities that the Borrower has identified as potential future acquisition targets (see the discussion under the caption "**INTRODUCTION** – Growth Strategy" in **Appendix A-1** to this Limited Offering Memorandum), facilities currently under contract to a third party or where a sale offer is in place, and facilities that the Borrower is unlikely to add to its portfolio in the future due to misalignment with its growth strategy) and senior living facilities where Trinity has exited its investment.



Trinity invests in various types of housing for seniors, including age-restricted multifamily housing, independent living, assisted living, and memory care facilities in order to benefit from the diversification of these product types. Each property type is unique in terms of regulatory and staffing requirements, services and care provided, resident profile, revenue per occupied unit, net operating income margins, and capitalization rates. Trinity partners with various sponsors to acquire or develop and operate senior housing properties for investment hold-times expected between three and six years.

In general, Trinity perceives a growing shortage of senior housing units in the U.S., which was exacerbated by the COVID-19 pandemic, which brought new construction starts to an all-time low. That lull has continued as both construction costs and cost of capital for debt instruments have increased. This supply shortage, coupled with the increased healthcare needs of aging baby boomers (*i.e.*, increasing demand), will push occupancies higher for the foreseeable future. Senior housing is a needs-driven business that provides robust protection against inflation or recession and has maintained downward trending capitalization rates over time. Trinity seeks to partner with best-in-class operators to provide investors with favorable risk-adjusted investment opportunities in the senior living space.

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PLAN OF FINANCING

In General

The proceeds from the sale of the Bonds loaned to the Borrower pursuant to the terms of the Loan Agreement will be used by the Borrower and certain other Members of the Obligated Group to (i) acquire, improve and/or equip the Communities (three existing senior living facilities, two of which are located in Florida and one of which is located in Louisiana); (ii) fund a debt service reserve fund for the Series 2025A Bonds; (iii) make a deposit to the Operating Reserve Fund; (iv) fund capitalized interest for the Series 2025A Bonds; and (v) pay certain costs associated with the issuance of the Bonds. See the caption "**Estimated Sources and Uses of Funds**" below.

As described herein, simultaneously with the issuance of the Series 2025A Bonds under the Bond Indenture, the Issuer will issue the Series 2025B Bonds under the terms of the Bond Indenture and the Series 2025B Bonds will be secured by Obligation No. 2 being issued under the Master Indenture as a Junior Lien Obligation. ***Certain limited information concerning the Series 2025B Bonds is included in this Limited Offering Memorandum; however, the Series 2025B Bonds are not being offered pursuant to the terms of this Limited Offering Memorandum.*** The Series 2025B Bonds are being issued to the sellers of the Communities in payment of the portion of the purchase price not being paid in case from proceeds of the Series 2025A Bonds.

Estimated Sources and Uses of Funds

The following table summarizes the estimated sources and uses of funds* in connection with the issuance of the Bonds:

	Series 2025A Bonds*	Series 2025B Bonds*, (1)	Total*
Sources of Funds:*			
Principal amount of Bonds	$ 61,125,000	$ 4,300,000	$ 65,425,000
Cash Contribution	1,486,606	0	1,486,606
Plus/Less: [Net] Original Issue [Premium][Discount]	(1,655,293)	0	(1,655,293)
Total Sources of Funds	$ 60,956,313	$ 4,300,000	$ 65,256,313
Uses of Funds:*			
Deposit to the Acquisition Account of the Project Fund(2)	$ 51,100,000	$ –	$ 51,100,000
Issuance of Series 2025B Bonds for the balance of the acquisition price	–	4,300,000	4,300,000
Deposit to the Debt Service Reserve Fund(3)	4,577,850	–	4,577,850
Deposit to the Operating Reserve Fund and Operating Accounts(4)	1,650,000	–	1,650,000
Deposit to the Capitalized Interest Account of the Project Fund(5)	695,000	–	695,000
Costs of Issuance(6)	2,933,463	–	2,933,463
Total Uses of Funds	$ 60,956,313	$ 4,300,000	$ 65,256,313

* Preliminary; subject to change.

(1) As described herein, the Series 2025B Bonds are not being offered pursuant to this Limited Offering Memorandum. The sources and uses of funds related to the issuance of the Series 2025B Bonds are included in this table to provide a full description of the sources and uses of funds related to the issuance of the Bonds.

(2) Amount deposited in the Acquisition Account of the Project Fund will be disbursed at closing and used to pay the cash portion of the acquisition price for the Communities as described under the caption "**OBLIGATED GROUP – Acquisition of Communities**" in **Appendix A-1** to this Limited Offering Memorandum.

(3) Amount deposited in the Senior Lien Debt Service Reserve Fund is equal to the Senior Lien Debt Service Reserve Fund Requirement.

(4) Amount deposited in the Operating Reserve Fund will be transferred to the Master Trustee and held in the Operating Reserve Fund established by the Master Indenture.

(5) Amount deposited in the Capitalized Interest Accounts of the Project Fund will be used to pay a portion of the interest on the Series 2025A Bonds ($235,000 on January 1, 2026, $285,000 on July 1, 2026 and $175,000 on July 1, 2027); preliminary; subject to change.

(6) Includes underwriter's discount (see the caption "**UNDERWRITING**" in this Limited Offering Memorandum) and other costs of issuance related to the Bonds.

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Debt Service Requirements for the Series 2025A Bonds

The following table sets forth, for each Bond Year ending each January 1st, the scheduled principal and interest payment amounts required to be made in each year for payment of the debt service on the Series 2025A Bonds, net of capitalized interest, and does not reflect any redemptions other than mandatory sinking fund redemptions. Since the Series 2025B Bonds are payable from a portion of the funds remaining in the Revenue Fund after payment of the Series 2025A Bonds (with the other portion of such funds used for the redemption of the Series 2025A Bonds (see the caption "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Master Indenture** – Revenue Fund – ***Flow of Funds from the Revenue Fund***" herein)) and, since such payments are subordinated in all respect to the scheduled payments on the Series 2025A Bonds, no payments on the Series 2025B Bonds are included in the following table.

Bond Year Ending January 1	Principal*	Interest*, (1)	Total Debt Service*
2026		$ 775,256	$ 775,256
2027		3,668,175	3,668,175
2028		3,778,175	3,778,175
2029		3,953,175	3,953,175
2030	$ 45,000	3,953,175	3,998,175
2031	150,000	3,950,700	4,100,700
2032	260,000	3,942,450	4,202,450
2033	380,000	3,928,150	4,308,150
2034	510,000	3,907,250	4,417,250
2035	650,000	3,879,200	4,529,200
2036	730,000	3,843,450	4,573,450
2037	780,000	3,796,000	4,576,000
2038	830,000	3,745,300	4,575,300
2039	885,000	3,691,350	4,576,350
2040	940,000	3,633,825	4,573,825
2041	1,005,000	3,572,725	4,577,725
2042	1,070,000	3,507,400	4,577,400
2043	1,140,000	3,437,850	4,577,850
2044	1,210,000	3,363,750	4,573,750
2045	1,290,000	3,285,100	4,575,100
2046	1,375,000	3,201,250	4,576,250
2047	1,465,000	3,111,875	4,576,875
2048	1,560,000	3,016,650	4,576,650
2049	1,660,000	2,915,250	4,575,250
2050	1,770,000	2,807,350	4,577,350
2051	1,885,000	2,692,300	4,577,300
2052	2,005,000	2,569,775	4,574,775
2053	2,135,000	2,439,450	4,574,450
2054	2,275,000	2,300,675	4,575,675
2055	2,420,000	2,152,800	4,572,800
2056	2,580,000	1,995,500	4,575,500
2057	2,745,000	1,827,800	4,572,800
2058	2,925,000	1,649,375	4,574,375
2059	3,115,000	1,459,250	4,574,250
2060	3,320,000	1,256,775	4,576,775
2061	16,015,000	1,040,975	17,055,975
Total	$ 61,125,000	$ 108,744,506	$ 169,174,506

* Preliminary; subject to change.

(1) Interest is net of capitalized interest to be applied as follows: $235,000 on January 1, 2026, $285,000 on July 1, 2026, and $175,000 on July 1, 2027. Preliminary; subject to change.

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Projected Redemptions of the Series 2025A Bonds

The following table sets forth the projected redemptions of the Series 2025A Bonds and was prepared using the following structuring assumptions: (1) the Obligated Group will have Income Available for Debt Service as reflected in the base case contained in the Feasibility Study attached as **Appendix B** to this Limited Offering Memorandum through December 31, 2029 (*i.e.*, the ending data of the forecasted financial statements contained therein), (2) the Obligated Group's Income Available for Debt Service will increase by 2.5% per year in each of the fiscal years ending December 31, 2030 through 2035, with no changes for any period thereafter, and (3) the Net Income Available for Debt Service will be applied in accordance with the Master Indenture and the Bond Indenture to redeem Series 2025A Bonds on the July 1st following the applicable fiscal year end (see "**THE BONDS – Redemption of Bonds Prior to Maturity** – Surplus Cash Flow Redemption" herein).

	Projected Redemptions of the Series 2025A Bonds			Projected Redemptions of the January 1, 2061 Term Bond		
Period Ending	Scheduled Maturities	Surplus Fund Redemptions	Aggregate Bond Redemptions	Scheduled Maturities	Surplus Fund Redemptions	Aggregate Bond Redemptions
01/01/2026	--	--	--	--	--	--
07/01/2026	--	--	--	--	--	--
01/01/2027	--	--	--	--	--	--
07/01/2027	--	--	--	--	--	--
01/01/2028	--	--	--	--	--	--
07/01/2028	--	--	--	--	--	--
01/01/2029	--	--	--	--	--	--
07/01/2029	--	$265,000	$265,000	--	$265,000	$265,000
01/01/2030	$45,000	--	310,000	--	--	265,000
07/01/2030	--	465,000	775,000	--	465,000	730,000
01/01/2031	150,000	--	925,000	--	--	730,000
07/01/2031	--	490,000	1,415,000	--	490,000	1,220,000
01/01/2032	260,000	--	1,675,000	--	--	1,220,000
07/01/2032	--	530,000	2,205,000	--	530,000	1,750,000
01/01/2033	380,000	--	2,585,000	--	--	1,750,000
07/01/2033	--	560,000	3,145,000	--	560,000	2,310,000
01/01/2034	510,000	--	3,655,000	--	--	2,310,000
07/01/2034	--	600,000	4,255,000	--	600,000	2,910,000
01/01/2035	650,000	--	4,905,000	--	--	2,910,000
07/01/2035	--	635,000	5,540,000	--	635,000	3,545,000
01/01/2036	730,000	--	6,270,000	--	--	3,545,000
07/01/2036	--	730,000	7,000,000	--	730,000	4,275,000
01/01/2037	780,000	--	7,780,000	--	--	4,275,000
07/01/2037	--	865,000	8,645,000	--	865,000	5,140,000
01/01/2038	830,000	--	9,475,000	--	--	5,140,000
07/01/2038	--	1,000,000	10,475,000	--	1,000,000	6,140,000
01/01/2039	885,000	--	11,360,000	--	--	6,140,000
07/01/2039	--	1,150,000	12,510,000	--	1,150,000	7,290,000
01/01/2040	940,000	--	13,450,000	--	--	7,290,000
07/01/2040	--	1,310,000	14,760,000	--	1,310,000	8,600,000
01/01/2041	1,005,000	--	15,765,000	--	--	8,600,000
07/01/2041	--	1,480,000	17,245,000	--	1,480,000	10,080,000
01/01/2042	1,070,000	--	18,315,000	--	--	10,080,000
07/01/2042	--	1,660,000	19,975,000	--	1,660,000	11,740,000
01/01/2043	1,140,000	--	21,115,000	--	--	11,740,000
07/01/2043	--	1,845,000	22,960,000	--	1,845,000	13,585,000
01/01/2044	1,210,000	--	24,170,000	--	--	13,585,000
07/01/2044	--	2,060,000	26,230,000	--	2,060,000	15,645,000
01/01/2045	1,290,000	--	27,520,000	--	--	15,645,000
07/01/2045	--	2,270,000	29,790,000	--	2,270,000	17,915,000
01/01/2046	1,375,000	--	31,165,000	1,375,000	--	19,290,000
07/01/2046	--	2,495,000	33,660,000	--	2,495,000	21,785,000
01/01/2047	1,465,000	--	35,125,000	1,465,000	--	23,250,000
07/01/2047	--	2,740,000	37,865,000	--	2,740,000	25,990,000
01/01/2048	1,560,000	--	39,425,000	1,560,000	--	27,550,000
07/01/2048	--	3,000,000	42,425,000	--	3,000,000	30,550,000
01/01/2049	1,660,000	--	44,085,000	1,660,000	--	32,210,000
07/01/2049	--	3,275,000	47,360,000	--	3,275,000	35,485,000
01/01/2050	1,770,000	--	49,130,000	1,770,000	--	37,255,000
07/01/2050	--	3,560,000	52,690,000	--	3,560,000	40,815,000
01/01/2051	1,885,000	--	54,575,000	1,885,000	--	42,700,000
07/01/2051	--	6,550,000	61,125,000	--	6,550,000	49,250,000
Totals	**$21,590,000**	**$39,535,000**		**$9,715,000**	**$39,535,000**	

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THE BONDS

The following is a summary of certain terms and provisions of the Bonds as contained in the Bond Indenture. Reference is hereby made to the Bonds and the provisions with respect thereto in the Bond Indenture for the detailed terms and provisions thereof. The form of the Bond Indenture is attached as Appendix C-1 to this Limited Offering Memorandum.

Descriptions of the Series 2025B Bonds are included for informational purposes. As further described herein, the Series 2025B Bonds are not being offered pursuant to the terms of this Limited Offering Memorandum.

General

The Bonds are being issued pursuant to the Bond Indenture in the aggregate principal amount set forth on the cover page of this Limited Offering Memorandum. The Bonds will be delivered as registered Bonds, in minimum denominations of $100,000 and any integral multiple of $5,000 in excess thereof ("**Authorized Denominations**"), subject to reduction as described under the caption "**Transfer Restrictions**" below, except that a Bond held by an Owner that has become held in a denomination of less than $100,000 as a result of a partial redemption of such Bond may be transferred or exchanged by such Owner or subsequent Owner but only to transferees permitted under the Bonde Indenture. The Bonds will be dated as of their date of original issuance and will bear interest at the rates set forth on the inside front cover page hereof from their date. Interest on the Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months and will be payable each January 1 and July 1, commencing January 1, 2026 (each, an "**Interest Payment Date**"). The Series 2025A Bonds mature on the dates set forth on the inside front cover page hereof. The Series 2025B Bonds are scheduled to mature on January 1, 2061*.

The Bonds, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("**DTC**"), and will be evidenced by one Bond for each maturity in the total aggregate principal amount of the Bonds of such maturity. Registered ownership of the Bonds, or any portion thereof, may not thereafter be transferred except as set forth in the Bond Indenture and described herein. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the Bondholders, Holders or registered owners will mean Cede & Co. as aforesaid and will not mean the Beneficial Owners of the Bonds. See **Appendix F** to this Limited Offering Memorandum.

The principal of and interest on the Bonds is payable in lawful money of the United States of America upon surrender at the corporate trust office of the Bond Trustee. The interest on any Bond is payable to the person whose name appears on the registration books of the Bond Trustee as the registered owner thereof as of the close of business on the fifteenth (15th) day of the calendar month preceding an Interest Payment Date whether or not such day is a Business Day (the "**Record Date**") for the Interest Payment Date, such interest to be paid by check mailed by first-class mail, postage prepaid, on the Interest Payment Date, to the registered owner at his or her address as it appears on such registration books. Notwithstanding the foregoing, however, any person in whose name such Bond is registered (the "**Bondholder**" or "**Holder**") of all the Bonds and any Holder of $1,000,000 or more in an aggregate principal amount of the Bonds is entitled to receive payments of interest on the Bonds held by it by wire transfer of immediately available funds to such bank or mortgage company located within the United States of America as such Holder shall designate in writing to the Bond Trustee by the first Record Date for such payment. As long as Cede & Co. is the registered owner of the Bonds, principal of and interest on the Bonds are payable in same day funds by the Bond Trustee to Cede & Co., as nominee for DTC.

Transfer Restrictions

The Bond Indenture provides that each initial Beneficial Owner of the Series 2025A Bonds shall be either (a) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act of 1933, as amended ("**Qualified Institutional Buyer"**); or (b) an "accredited investor" as defined in Regulation D under the 1933 Act, as amended ("**Accredited Investor**"); that has provided an investor letter as provided under the Bond Indenture. The Bond Indenture further provides that neither the Series 2025A Bonds, nor any beneficial ownership interest therein, may be transferred by the Beneficial Owner thereof except (i) in Authorized Denominations to (ii) a Beneficial Owner that is a Qualified

* Preliminary; subject to change.

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Institutional Buyer or an Accredited Investor, and in accordance with applicable securities laws, unless any transfer is during an Investment Grade Period. See the caption "**NOTICE TO INVESTORS IN THE SERIES 2025A BONDS**" in the preliminary pages on this Limited Offering Memorandum for certain representations and agreements deemed to be made by transferees in connection with an acquisition of Series 2025A Bonds.

The Bond Indenture provides that the above-described transfer restrictions shall be of no further force or effect at such time as (i) the Borrower provides an Investment Grade Notice to the Issuer and the Bond Trustee and (ii) the Bond Trustee has received the authorization and direction of the Issuer to remove the above-described transfer restrictions. Under the Bond Indenture, "**Investment Grade Notice**" means any official notice released by any rating agency that the Bonds have been rated Baa3 by Moody's, BBB- by S&P or Fitch (each, a "**Rating Agency**"), or its equivalent, or higher (without regard for gradation within a rating category and without regard for credit enhancement unless such credit enhancement extends through the final maturity date of the Bonds), by such Rating Agency. Under the Bond Indenture, "**Investment Grade Period**" means any period during which the Bonds are rated as described immediately above.

Redemption of Bonds Prior to Maturity

Optional Redemption

Series 2025A Bonds. The Series 2025A Bonds shall be subject to redemption at the option of the Issuer as directed by the Borrower, in whole or in part on any date on or after _____ __, 20__, from any legally available funds, at a Redemption Price equal to _____% of the principal amount of Series 2025A Bonds called for redemption, without premium, plus accrued interest with respect thereto to the date fixed for redemption.

Series 2025B Bonds. The Series 2025B Bonds shall be subject to redemption at the option of the Issuer as directed by the Borrower, in whole or in part on any date, from any legally available funds on deposit in the Junior Lien Redemption Account of the Debt Service Fund, at a Redemption Price equal to 100% of the principal amount of Series 2025B Bonds called for redemption, without premium, plus accrued interest with respect thereto to the date fixed for redemption.

In the case of any redemption of Bonds at the option of the Issuer as directed by the Borrower, an Authorized Representative of the Borrower shall give written notice to the Bond Trustee and the Issuer at the Direction of the Borrower to so redeem, of the Redemption Date, of the Series, and of the principal amounts of the Bonds of each maturity of such Series to be redeemed (which Series, maturities, and principal amounts thereof to be redeemed shall be determined by the Issuer in its sole discretion, subject to any limitations with respect thereto as are contained in the Bond Indenture and summarized below under the caption "**Selection of Bonds to be Redeemed**"). Such notice shall be given at least ten Business Days prior to the date on which notice of redemption is required to be given to the Owners of the Bonds to be redeemed or within such shorter period as shall be consented to by the Bond Trustee. On or prior to any Redemption Date, there shall be paid to the Bond Trustee for deposit into the appropriate Redemption Account an amount which, in addition to other moneys, if any, available therefor held by the Bond Trustee, will be sufficient to redeem on the Redemption Date at the Redemption Price, plus interest accrued and unpaid to the Redemption Date, all of the Bonds called for redemption. Upon such written Direction by the Borrower to the Bond Trustee, the Issuer shall be deemed, without any further action on the Issuer's part, to have exercised its option to redeem the Bonds under the optional redemption provisions of the Bond Indenture.

Extraordinary Redemption

From Insurance and Condemnation Proceeds. The Bonds shall be subject to extraordinary redemption, in whole or in part, on any date, at a Redemption Price equal to the principal amount of Bonds to be redeemed plus interest accrued thereon, if applicable, to the date fixed for redemption, without premium, from proceeds of insurance (including any title insurance), or condemnation awards permitted or required to be applied to prepayments under the Loan Agreement and the Master Indenture. The Bonds and particular maturities thereof to be redeemed shall be selected pursuant to a Direction of the Borrower, based upon the advice of Bond Counsel; provided, however, all of the Series 2025A Bonds shall be redeemed in full before any Series 2025B Bonds are redeemed.

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To Maintain Status of Tax-Exempt Bonds Following Change in Use. The Series 2025A Bonds shall be subject to extraordinary mandatory redemption, in whole or in part, on any date not later than one hundred days following a Determination of Taxability. If such Series 2025A Bonds are be redeemed in part, such Series 2025A Bonds and maturities thereof to be redeemed shall be selected pursuant to a Direction of the Borrower, together with an Opinion of Bond Counsel to the effect that such redemption will not, in and of itself, adversely affect the exclusion from gross income of interest on the Series 2025A Bonds remaining Outstanding, after such redemption for federal income tax purposes. The Redemption Price for the Series 2025A Bonds shall be equal to 105% of the principal amount of Series 2025A Bonds called for redemption plus accrued interest with respect thereto to the date fixed for redemption.

"**Determination of Taxability**" means a determination that interest accrued or paid on any series of Tax-Exempt Bonds is included in gross income for federal income tax purposes, which determination shall be deemed to have been made upon the occurrence of the first to occur of (a) the date on which any Owner is advised in writing by the Commissioner or any District Director of the Internal Revenue Service that interest on any series of the Tax-Exempt Bonds is included in gross income for federal income tax purposes, (b) the date on which the Issuer or the Borrower receives notice from an Owner that such Owner has been (i) advised in writing that Internal Revenue Service has issued a statutory notice of deficiency or similar notice to such Owner that asserts, in effect, that interest on a series of the Tax-Exempt Bonds received by such Owner is included in the gross income of such Owner for federal income tax purposes, or (ii) by an Opinion of Bond Counsel received by such Owner that concludes, in effect, that interest on a series of the Tax-Exempt Bonds is included in gross income for federal income tax purposes, (c) the day on which the Issuer is advised in writing by the Commissioner or any District Director of the Internal Revenue Service that there has been issued a public or private ruling of the Internal Revenue Service that the interest on a series of Tax-Exempt Bonds is included in gross income for federal income tax purposes, or (d) the day on which the Issuer is advised in writing by counsel to an Owner that a final determination, from which no further right to appeal exists, has been made by a court of competent jurisdiction in the United States of America in a proceeding with respect to which the Issuer and the Borrower have been given written notice and an opportunity to participate and defend that the interest on the applicable series or series of Tax-Exempt Bonds is included in gross income for federal income tax purposes; provided, however, that a Determination of Taxability shall not include any such determination that is solely the result of a change in the Code.

Surplus Cash Flow Redemption

Series 2025A Bonds. The Series 2025A Bonds shall be subject to redemption in inverse order of maturity on each _____ 1 on and after _____ 1, 20___, in an amount equal to the amount set forth in the written notice delivered to the Bond Trustee by the Obligated Group Representative pursuant to the Master Indenture (see "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Master Indenture –** Senior Lien Obligations Fund" herein), at a Redemption Price equal to the principal amount of Series 2025A Bonds to be redeemed, without premium, plus accrued interest with respect thereto to the date fixed for redemption.

Pursuant to the Master Indenture, funds will be deposited into the Redemption Account of the Senior Lien Obligations Fund from funds available at subsection (vii)(C) under the caption "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Master Indenture** – Revenue Fund – ***Flow of Funds from the Revenue Fund***" herein.

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Mandatory Sinking Fund Redemption

Series 2025A Bonds. The Series 2025A Bonds are subject to mandatory redemption, at a Redemption Price equal to the principal amount of the Series 2025A Bonds being redeemed, together with accrued interest thereon to the Redemption Date, pursuant to Mandatory Sinking Fund Installments on January 1 in each of the years and principal amounts set forth in the tables below, except that the Mandatory Sinking Fund Installments of Series 2025A Bonds shall be reduced in chronological order by the principal amount of any Series 2025A Bonds redeemed pursuant to any other optional or mandatory redemption provision on or before the date on which any such Mandatory Sinking Fund Installment is due:

The Series 2025A Bonds maturing on January 1, 2035*, are subject to mandatory redemption from Mandatory Sinking Fund Installments in the following amounts on January 1 of each year as follows:

Year (January 1)*	Mandatory Sinking Fund Installment*	Year (January 1)*	Mandatory Sinking Fund Installment*
2030	$45,000	2033	$380,000
2031	150,000	2034	510,000
2032	260,000	2035**	650,000

* Preliminary; subject to change.
** Final Maturity

The Series 2025A Bonds maturing on January 1, 2045*, are subject to mandatory redemption from Mandatory Sinking Fund Installments in the following amounts on January 1 of each year as follows:

Year (January 1)*	Mandatory Sinking Fund Installment*	Year (January 1)*	Mandatory Sinking Fund Installment*
2036	$730,000	2041	$1,005,000
2037	780,000	2042	1,070,000
2038	830,000	2043	1,140,000
2039	885,000	2044	1,210,000
2040	940,000	2045**	1,290,000

* Preliminary; subject to change.
** Final Maturity

The Series 2025A Bonds maturing on January 1, 2061*, are subject to mandatory redemption from Mandatory Sinking Fund Installments in the following amounts on January 1 of each year as follows:

Year (January 1)*	Mandatory Sinking Fund Installment*	Year (January 1)*	Mandatory Sinking Fund Installment*
2046	$1,375,000	2054	$2,275,000
2047	1,465,000	2055	2,420,000
2048	1,560,000	2056	2,580,000
2049	1,660,000	2057	2,745,000
2050	1,770,000	2058	2,925,000
2051	1,885,000	2059	3,115,000
2052	2,005,000	2060	3,320,000
2053	2,135,000	2061**	16,015,000

* Preliminary; subject to change.
** Final Maturity

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Selection of Bonds for Redemption

If less than all of the Bonds of a single maturity within the same Series are to be redeemed, the Bonds of such Series to be redeemed will be selected by lot or other random method by the Bond Trustee in such a manner as the Bond Trustee may determine; provided, that the portion of any Bond of a Series of a denomination greater than the minimum Authorized Denomination for the Bonds of such Series to be redeemed shall be redeemed in part only in an Authorized Denomination and that, in selecting portions of Bonds of a Series for redemption, the Bond Trustee shall treat each Bond of such Series as representing that number of Bonds of the minimum Authorized Denomination for such Series which is obtained by dividing the principal amount of such Bond to be redeemed in part by the minimum Authorized Denomination for such Series.

Notice of Redemption

Notice of mandatory and optional redemption of Bonds shall be given in accordance with the Bond Indenture. When the Bond Trustee and the Issuer shall have received from the Borrower a Direction to redeem Bonds or when the Bonds are redeemable pursuant to the mandatory sinking fund redemption or surplus cash flow redemption provisions, the Bond Trustee shall give notice, in the name of the Issuer, of the redemption of such Bonds, which notice shall specify the Series and maturities of the Bonds to be redeemed, the Redemption Date and the place or places where amounts due upon such Redemption Date will be payable and, if less than all of the Bonds of any like Series and maturity are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds so to be redeemed, and, in the case of Bonds to be redeemed in part only, such notices shall also specify the respective portions of the principal amounts thereof to be redeemed. Such notice may state that it is conditional and that any optional redemption shall be made only from and to the extent of funds on deposit with the Bond Trustee and available for such purpose on the Redemption Date. Such notice shall further state that on such Redemption Date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof, in the case of Bonds to be redeemed in part only, together with interest accrued to the Redemption Date, and that from and after such date interest thereon shall cease to accrue and be payable. The Bond Trustee shall mail a copy of such notice, first class mail postage prepaid, not less than 30 days nor more than 60 days before the Redemption Date, to the Owners of any registered Bonds, or portions of registered Bonds that are to be redeemed, at their last addresses, if any, appearing upon the Register. Upon the delivery of such written Direction by the Borrower to the Bond Trustee, the Issuer shall be deemed, without any action on the Issuer's part, to have exercised its option to redeem the Bonds under the terms of the Bond Indenture.

In addition to the notice of redemption required pursuant to the preceding paragraph, upon the Direction of the Borrower received at least 35 days before the date fixed for redemption by the Bond Trustee, the Bond Trustee shall also give redemption notice at least 30 days before the date fixed for redemption, by (i) registered or certified mail, return receipt requested, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to the Securities Depositories.

The Borrower may, at its option at least 5 days prior to the date fixed for redemption in any notice of redemption, rescind and cancel such notice of redemption by Request to the Bond Trustee, with a copy to the Issuer, and the Bond Trustee shall distribute, in the same manner as the original notice, notice of such cancellation to the recipients of the notice of redemption being cancelled.

Failure to give the redemption notices described in the Bond Indenture, or any defects therein, shall not in any manner affect the validity of any proceedings for redemption of any other Bonds for which such notice has been duly given, or for the rescission of such redemption notice. Neither the Issuer nor the Bond Trustee shall have any responsibility for any defect in the CUSIP number that appears on any Bonds or in any redemption notice with respect thereto, and any such redemption notice may contain a statement to the effect that CUSIP numbers have been assigned by an independent service for convenience of reference and that neither the Issuer nor the Bond Trustee shall be liable for any inaccuracy in such numbers.

Payment of Redeemed Bonds

Notice having been given in the manner provided in the Bond Indenture, the Bonds or portions thereof so called for redemption shall become due and payable on the Redemption Date so designated at the Redemption Price, plus interest accrued and unpaid to the Redemption Date, and upon presentation and surrender thereof at the office specified in such

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notice. If there shall be called for redemption less than all of the principal of any Bond, the Issuer shall execute and the Bond Trustee shall authenticate, upon the surrender of such Bond, without charge to the Owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered, Bonds of like Series and maturity in any Authorized Denomination. If, on the Redemption Date, moneys for the redemption of all the Bonds or portions thereof of any like Series and maturity to be redeemed, together with interest to the Redemption Date, shall be held by the Bond Trustee so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the Redemption Date interest on the Bonds or portions thereof of such Series and maturity so called for redemption shall cease to accrue and become payable. If such moneys shall not be so available on the Redemption Date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne interest at had they not been called for redemption.

Exchanges and Transfers of Bonds

In all cases in which the privilege of exchanging or transferring Bonds is exercised, the Issuer shall execute and the Bond Trustee shall authenticate and deliver Bonds in accordance with the provisions of the Bond Indenture. All registered Bonds surrendered in any exchange or transfer shall forthwith be canceled by the Bond Trustee. For every such transfer of Bonds, whether temporary or definitive, the Issuer, the Bond Trustee or the Registrar may make a charge sufficient to reimburse it or them for any expense, tax, fee or other governmental charge required to be paid with respect to such transfer. In addition, for every exchange of Bonds (other than the exchange of temporary Bonds for definitive Bonds), the Issuer, the Bond Trustee or the Registrar may make charges to cover the costs of printing Bonds including any Issuer's, Bond Trustee's or Registrar's charges in connection therewith. The payment of such sum or sums shall be made by the Owner requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Registrar shall not be required to transfer or exchange Bonds for a period from the 15th day of the month next preceding any Interest Payment Date or Principal Payment Date of such Bond through such Interest Payment Date or Principal Payment Date nor to transfer or exchange any Bond after notice calling such Bond or portion thereof for redemption has been given as herein provided nor during the period of 15 days next preceding the giving of such notice.

CUSIP Numbers

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds, nor any error in the printing of such numbers, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for any Bonds.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

In General

As further described herein, the Bonds are repayable from Loan Repayments to be made by the Borrower under the terms of the Loan Agreement. As security for the Borrower's obligations to make such Loan Repayments, the Obligated Group will issue three separate Obligations related to the Bonds – a Senior Lien Obligation for the Series 2025A Bonds and a Junior Lien Obligation for the Series 2025B Bonds. The Obligations issued under the Master Indenture are the joint and several obligations of each of the Members of the Obligated Group and are cross-defaulted and cross-collateralized pursuant to the terms of the Master Indenture, subject to the priority of Senior Lien Obligations over Junior Lien Obligations. Pursuant to the terms of the Master Indenture, any failure to make any payment on the Junior Lien Obligation issued to secure the Series 2025B Bonds will not result in a default or acceleration of the Senior Lien Obligation issued to secure the Series 2025A Bonds.

To secure their respective obligations to make payments on the Obligations, each Member of the Obligated Group has pledged and granted a security interest in (i) all Gross Revenues (as defined in the Master Indenture), (ii) all Residency Agreements (as defined in the Master Indenture) including, without limitation, all rights to payment thereunder, (iii) a Mortgage on each Community has been granted to the Master Trustee by the applicable Member of the Obligated Group acquiring each Community in connection with the issuance of the Bonds, (iv) each fund or account (other than the Administrative Costs Fund established under the Master Indenture and any other fund or account created and excluded pursuant to a Related Supplement) and (v) all financial assets (as defined in Article 8 of the Florida Uniform Commercial Code), instruments, money and other property credited to or on deposit in any such fund or account, and the proceeds thereof; (vi) pursuant to a Collateral Assignment of Property Management Agreements from each Member that owns a

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Community, a collateral assignments of interest in the related Management Agreement; and (vii) pursuant to the Collateral Assignment of Licenses, Contracts and Agreements from the Members of the Obligated Group owning a Community, a collateral assignment of interests in other licenses, contracts and agreements related to the operation of the Communities.

Special, Limited Obligations

The Bonds and the interest thereon are special, limited obligations of the Issuer, payable (except to the extent paid out of Bond proceeds or the income from the temporary investment thereof) solely from certain payments to be made by the Borrower under the Loan Agreement, from payments made by the Obligated Group on the Obligations issued to evidence and secure the obligations of the Borrower under the Loan Agreement and from certain other funds held by the Bond Trustee under the Bond Indenture, and not from any other fund or source of the Issuer, and are secured under the Bond Indenture and the Loan Agreement as described herein. Payments under the Loan Agreement are designed to be sufficient, together with other funds available for such purpose, to pay when due the principal of, premium, if any, and interest on the Bonds.

Subject only to the provisions of the Bond Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein, the Bond Indenture pledges:

(i) to secure the payment of the principal of, Redemption Price, if any, and interest on the Series 2025A Bonds (as Senior Lien Bonds), and subject to the priority of the Series 2025A Bonds (as Senior Lien Bonds) over the Series 2025B Bonds (as Junior Lien Bonds),

(ii) to secure the payment of the principal of, Redemption Price, if any, and interest on the Series 2025B Bonds (as Junior Lien Bonds),

all of the (i) Revenues and (ii) any other amounts (including proceeds of the sale of Bonds, but excluding payments made pursuant to Issuer's Reserved Rights) held by the Bond Trustee in any Fund or Account established pursuant to the Bond Indenture (other than the Rebate Fund). Under the Bond Indenture, "**Revenues**" means all amounts received by the Bond Trustee for the account of the Issuer pursuant to or with respect to the Loan Agreement or Obligations, including, without limiting the generality of the foregoing, Loan Repayments (including both timely and delinquent payments and any late charges, and whether paid from any source), Required Payments, prepayments and all interest, profits or other income derived from the investment of amounts in any fund or account established pursuant to the Bond Indenture, but not including any Additional Payments, the Annual Issuer's Fee, any payments with respect to the Issuer's Reserved Rights, or any moneys required to be deposited in the Rebate Fund.

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY OUT OF THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE BONDS OR THE BOND INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING SUCH BONDS BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE BONDS. THE ISSUER HAS NO TAXING POWER.

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The Bond Indenture

The following is a summary of certain terms and provisions of the Bond Indenture. Reference is hereby made to the form of the Bond Indenture attached as Appendix C-1 to this Limited Offering Memorandum for the full terms thereof.

General; Trust Estate

Pursuant to the Bond Indenture, the Issuer will transfer in trust, grant a security interest in and assigns to the Bond Trustee in trust, for the benefit of the Holders from time to time of the Bonds, all of the Revenues and other assets pledged thereunder and all of the right, title and interest of the Issuer in the Loan Agreement (except for Issuer's Reserved Rights) and the Obligations (collectively, the "**Trust Estate**"). The Issuer will cause the Obligations to be registered in the name of the Bond Trustee. The assignment under the Bond Indenture is to the Bond Trustee solely in its capacity as Bond Trustee thereunder and subject to the provisions of the Bond Indenture and in taking or refraining from taking any action under the Loan Agreement pursuant to such assignment, the Bond Trustee shall be entitled to all of the rights, protections and limitations from liability afforded it as Bond Trustee under the Bond Indenture. Subject to the foregoing, the Bond Trustee shall be entitled to and shall, subject to the provisions of the Bond Indenture, take all steps, actions and proceedings reasonably necessary in its judgment to enforce all of the rights of the Issuer and all of the obligations of the Borrower under the Loan Agreement and the Obligations, other than Issuer's Reserved Rights.

Funds are expected to be received by the Bond Trustee from transfers made by the Master Trustee under the terms of the Master Indenture. Funds received from the Master Trustee will be transferred from the funds and accounts established under the Master Indenture. See the discussion of the Master Indenture Revenue Fund under the caption "**The Master Indenture –** Revenue Fund" below and the related funds and accounts discussed therein.

The Bond Trustee will deposit and apply funds received from the Master Trustee pursuant to the terms of the Bond Indenture. See the form of the Bond Indenture attached as **Appendix C-1** to this Limited Offering Memorandum.

The Loan Agreement

The following is a summary of certain terms and provisions of the Loan Agreement. Reference is hereby made to the form of the Loan Agreement attached as Appendix C-2 to this Limited Offering Memorandum for the full terms thereof.

Loan of Proceeds; Payments of Principal and Interest

Pursuant to the Loan Agreement, the Issuer agrees to lend and advance to the Borrower, and the Borrower borrows and accepts from the Issuer, a loan in a principal amount equal to the aggregate principal amount of the Bonds, the net proceeds of which loan shall be equal to the net proceeds received from the sale of the Bonds, such proceeds to be applied under the terms and conditions of the Loan Agreement and the Bond Indenture. In consideration of the loan of such proceeds to the Borrower, the Borrower agrees to pay, or cause to be paid, to the Bond Trustee, on or before the Business Day prior to each date on which such amounts are required to be transferred by the Bond Trustee pursuant to the Bond Indenture for subsequent application pursuant to the Bond Indenture, the amounts necessary to enable the Bond Trustee to make the transfers required by the Bond Indenture (the "**Loan Repayments**"). Notwithstanding the foregoing, the Borrower agrees to make payments, or cause payments to be made, to the Bond Trustee at the times and in the amounts required to be paid as principal of, premium, if any, and interest on the Bonds from time to time Outstanding under the Bond Indenture and other amounts required to be paid under the Bond Indenture, as the same shall become due whether at maturity, upon redemption, by declaration of acceleration or otherwise. Each payment by Borrower to the Bond Trustee under the Loan Agreement shall be in lawful money of the United States of America and paid to the Bond Trustee, and held, invested, disbursed and applied as provided in the Bond Indenture.

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Additional Payments

In addition to Loan Repayments, the Borrower shall also pay, or cause to be paid, to the Issuer or the Bond Trustee, as the case may be, "**Additional Payments**," as follows:

(a) All taxes and assessments of any type or character charged to the Issuer or to the Bond Trustee affecting the amount available to the Issuer or the Bond Trustee from payments to be received under the Loan Agreement or in any way arising due to the transactions contemplated by the Loan Agreement (including taxes and assessments assessed or levied by any public agency or governmental authority of whatsoever character having power to levy taxes or assessments) but excluding franchise taxes based upon the capital and/or income of the Bond Trustee and taxes based upon or measured by the net income of the Bond Trustee; provided, however, that Borrower shall have the right to protest any such taxes or assessments which it in good faith believes are not due and owing and to require the Issuer or the Bond Trustee, at Borrower's expense, to protest and contest any such taxes or assessments levied upon them, and that Borrower shall have the right to withhold payment of any such taxes or assessments pending disposition of any such protest or contest unless such withholding, protest or contest would adversely affect the rights or interests of the Issuer, the Holders or the Bond Trustee under the Loan Agreement, under the Bond Indenture or otherwise with respect to the Bonds;

(b) All fees, charges, expenses and indemnities (as set forth in the Loan Agreement) of the Bond Trustee and the Issuer under the Loan Agreement and under the Bond Indenture, as and when the same become due and payable;

(c) The fees and expenses of such accountants, consultants, attorneys and other experts as may be engaged by the Issuer or the Bond Trustee in connection with the performance of its duties under the Loan Agreement or in the Bond Indenture and to prepare audits, financial statements, reports, opinions or provide such other services required under the Loan Agreement or the Bond Indenture, including, but not limited to, any audit or inquiry by the Internal Revenue Service or any other governmental body;

(d) The Annual Issuer's Fee and the Issuer's Fees and Expenses of the Issuer or any agent or attorney selected by the Issuer to act on its behalf in connection with the Loan Agreement, the Borrower Documents, the Bonds or the Bond Indenture, including, without limitation, any and all expenses incurred in connection with the authorization, issuance, sale and delivery of any such Bonds or in connection with any litigation, investigation, inquiry or other proceeding which may at any time be instituted involving the Loan Agreement, the Borrower Documents, the Bonds or the Bond Indenture or any of the other documents contemplated thereby, or in connection with the reasonable supervision or inspection of the Borrower, its properties, assets or operations or otherwise in connection with the administration of this Loan Agreement and the Borrower Documents;

(e) All other necessary fees, expenses and indemnities (as set forth in the Loan Agreement) of the Issuer and the Issuer Indemnified Parties arising out of or in connection with the issuance of the Bonds and the Loan Agreement, including, but not limited to, those pertaining to the representation of the Issuer as "taxpayer" before the Internal Revenue Service in any audit or investigation of the Bonds or the Obligations;

(f) All Costs of Issuance not paid from proceeds of the Bonds; and

(g) All fees and expenses of the Rebate Analyst, and if a deposit is required to be made to the Rebate Fund as a result of any calculation made pursuant to the Bond Indenture, the amount of such deposit, which shall be deposited in the Rebate Fund.

Such Additional Payments shall be billed to Borrower by or upon direction of the Issuer or the Bond Trustee from time to time and shall be paid by Borrower within thirty (30) days after receipt of the bill by Borrower. The obligations of Borrower with respect to Additional Payment shall survive the payment of the Bonds and discharge of the Bond Indenture, and termination of the Loan Agreement and the resignation or removal of the Bond Trustee. Notwithstanding the foregoing, the Issuer shall not be required to submit a bill to the Borrower, the Bond Trustee nor the Master Trustee for payment of the Annual Issuer's Fee, and payment of the Annual Issuer's Fee does not require prior approval by the Borrower or a Borrower Authorized Representative. Such Annual Issuer's Fee shall be paid by the Master Trustee in the amount provided in the Bond Indenture. The Annual Issuer's Fee and any other Issuer's Fees and Expenses shall constitute

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Administrative Fees as defined in the Master Indenture and shall be paid to the Issuer by the Master Trustee from the Administrative Costs Fund established under the Master Indenture and in accordance with the provisions of the Master Indenture.

Covenants of the Borrower

The Loan Agreement contains covenants imposing restrictions on the Borrower with respect to, among other things, the payment of fees and expenses, indemnification, certain tax covenants related to the maintenance of the exclusion from gross income for federal income tax purposes with respect to the Tax-Exempt Bonds, and compliance with the undertakings set forth in the Continuing Disclosure Agreement (as defined herein). The specific terms of such restrictions are set forth in the Loan Agreement, the form of which is attached as **Appendix C-2** to this Limited Offering Memorandum.

The Master Indenture

The following is a summary of certain terms and provisions of the Master Indenture. Reference is hereby made to the form of the Master Indenture attached as Appendix C-3 to this Limited Offering Memorandum for the full terms thereof.

Pledged Assets

To secure the payment of Required Payments (*i.e.*, payments required to be made by the Obligated Group under the Master Indenture, any Related Supplement or any Obligation, for (i) any payment of principal or interest, whether regularly scheduled or due at maturity, by acceleration, upon proceeding for redemption or otherwise, and (ii) the purchase price of Related Bonds tendered or deemed tendered for purchase pursuant to the terms of a Related Bond Indenture) and the performance by the Obligated Group of its other obligations under the Master Indenture, and subject only to the provisions of the Master Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, the Obligated Group pledges and grants a security interest to the Master Trustee in, all of its right, title and interest, whether now owned or hereafter acquired, in, to and under the Pledged Assets.

"**Pledged Assets**" consists of all Residency Agreements (including, without limitation, all rights to payment thereunder), all Gross Revenues, all Mortgaged Property, each fund or account (other than the Administrative Costs Fund and any other fund or account created and excluded pursuant to a Related Supplement executed after the date of the Original Master Indenture) established under the Master Indenture, all financial assets (as defined in Article 8 of the Florida Uniform Commercial Code), instruments, money and other property credited to or on deposit in any such fund or account, and the proceeds thereof.

"**Gross Revenues**" means all receipts, revenues, rentals, income, insurance proceeds (including, without limitation, all Medicaid, Medicare and other third party payments, but not including insurance proceeds not related operating services at the Properties), condemnation awards, entrance fees, and other moneys received by or on behalf of any Member of the Obligated Group, including (without limitation) revenues derived from (a) the ownership, operation or leasing of any portion of the Properties (including, without limitation, fees payable by or on behalf of residents of the Properties) and all rights to receive the same (other than the right to receive Medicaid and Medicare payments), whether in the form of accounts, general intangibles or other rights, and the proceeds of such accounts, general intangibles and other rights, whether now existing or hereafter coming into existence or whether now owned or held or hereafter acquired, (b) proceeds derived from (i) accounts receivable, (ii) securities and other investments, (iii) inventory and other tangible and intangible property, and (iv) contract rights and other rights and assets now or hereafter owned by the Obligated Group; (c) rentals received from the lease of space; (d) investment earnings on and other income from amounts held in the Revenue Fund and the Operating Account; and (e) proceeds from any borrowing described in subsection (h) under the caption "Limitations on Additional Indebtedness" below; and (f) investment earnings on and other income from amounts held in any debt service reserve fund established under a Related Bond Indenture; provided, however, that Gross Revenues shall not include (1) income derived from Defeasance Obligations that are irrevocably deposited in escrow to pay the principal of or interest on any defeased Obligations; (2) any gains or losses resulting from the sale, exchange or other disposition of property not in the ordinary course of business, or the reappraisal, reevaluation or write-up of assets, or any other extraordinary gains or losses; (3) proceeds of any borrowing (other than a borrowing described in subsection (h) under the caption "Limitations on Additional Indebtedness" below); (4) income derived from investment earnings on amounts held in the Rebate Fund under a Related Bond Indenture; (5) Excess Sale Proceeds; and (6) gifts, grants, bequests,

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donations and contributions to a Member of the Obligated Group heretofore or hereafter made, and the income and gains derived therefrom, which are specifically restricted by the donor or grantor to a particular purpose which is inconsistent with their use of payments required under the Master Indenture; provided, further, for the avoidance of doubt, Gross Revenues shall not include the revenues of any subsidiaries of the Obligate Group Representative which are not Members of the Obligated Group.

"**Mortgages**" or "**Mortgage**" means any mortgage, including leasehold deed of trust, deed of trust, security agreement, assignment of rents and leases, and/or financing statement encumbering any Property for the benefit of Holders executed and delivered in accordance with the Master Indenture.

"**Mortgaged Property**" means any Property subject to a Mortgage.

"**Property**" means the land, building and all fixtures and equipment comprising senior living and healthcare facilities owned by the Members of the Obligated Group, including any independent living units, assisted living units, memory care units, all necessary and useful furnishings, equipment and machinery, and such interests in land as may be necessary or suitable for the foregoing, including roads and rights of access, utilities and other necessary site preparation facilities, and subject to any Mortgage or other Permitted Lien; provided, however, any health center that includes skilled nursing beds shall not be permitted to be a Property.

"**Residency Agreement**" means each and every contract, including without limitation any "reservation agreement" or "residency agreement," as amended from time to time, between a Member of the Obligated Group and a resident of one of the Properties giving the resident certain rights of occupancy in such Property, including, without limitation, the independent living units, assisted living units or specialty care (dementia) beds and providing for certain services to such resident.

Under the terms of the Master Indenture, the Master Trustee has no recourse against the Obligated Group Representative or the Obligated Group with respect to the failure by the Obligated Group Representative or the Obligated Group to make any Required Payment under the Master Indenture and any Related Supplement except recourse to the Pledged Assets.

Obligations

The following Obligations are being issued in connection with the issuance of the Bonds pursuant to the Master Indenture:

Obligation No. 1 (Senior Lien Obligation). To secure the payment of the Loan Repayments required to be made under the Loan Agreement with respect to the Series 2025A Bonds, the Obligated Group will issue Obligation No. 1 as a Senior Lien Obligation under the Master Indenture. Obligation No. 1 will be the only Senior Lien Obligation Outstanding under the Master Indenture at the time the Bonds are issued; however, Obligation No. 1 will stand on a parity under the Master Indenture with all Senior Lien Obligations hereafter issued and Outstanding under the terms of the Master Indenture.

Obligation No. 2 (Junior Lien Obligation). To secure the payment of the Loan Repayments required to be made under the Loan Agreement with respect to the Series 2025B Bonds, the Obligated Group will issue Obligation No. 2 as a Junior Lien Obligation under the Master Indenture. Obligation No. 2 will be the only Junior Lien Obligation Outstanding under the Master Indenture at the time the Bonds are issued; however, Obligation No. 2 will stand on a parity under the Master Indenture with all Junior Lien Obligations hereafter issued and Outstanding under the terms of the Master Indenture, and is payable on a subordinate basis to any Senior Lien Obligations now or hereafter issued and Outstanding under the terms of the Master Indenture.

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Following the issuance of the Bonds and the delivery of the Obligations in connection therewith, the following Obligations will be Outstanding under the terms of the Master Indenture:

Obligations	Principal Outstanding*
Obligation No. 1 (Senior Lien)	$ 60,960,000
Obligation No. 2 (Junior Lien)	4,300,000
Total	$ 65,260,000

* Preliminary; subject to change.

The above-referenced obligations and any additional Outstanding Obligations issued by the Obligated Group under the Master Indenture (whether or not pledged under the Bond Indenture) are collectively referred to as the "**Obligations**."

Operating Account; Operations and Maintenance Fund

Each Member of the Obligated Group shall deposit all of its Gross Revenues as soon as practicable upon receipt in an account which such Member of the Obligated Group shall establish and maintain, subject to the provisions of the following paragraph, at such banking institution or institutions as the Obligated Group shall from time to time designate in writing to the Master Trustee for such purpose (the "**Depository Bank(s)**"). The Obligated Group shall execute and deliver such documents (including, but not limited to, control agreements and continuation statements) as may be necessary or reasonably requested by the Master Trustee in order to perfect or maintain as perfected the security interest granted under the Master Indenture, including without limitation, the Deposit Account Control Agreement.

Amounts in the Operating Account may be used and withdrawn by the Obligated Group at any time to pay Operating Expenses, except as otherwise provided in the Master Indenture. In the event that the Obligated Group is delinquent for more than one Business Day in the payment of any Required Payment with respect to any Obligation issued pursuant to a Related Supplement, the Master Trustee, upon written notice from the Obligated Group Representative or Actual Knowledge of such delinquency, shall notify the Obligated Group Representative of such delinquency, and, unless such Required Payment is paid, or provision for payment is duly made, in a manner satisfactory to the Master Trustee, within five days after the Master Trustee's delivery of such notice to the Obligated Group Representative, the Obligated Group Representative or the Obligated Group shall cause the Depository Bank(s) to transfer the funds in the Operating Account to the Master Trustee. Upon receipt of such funds from the Operating Account, the Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "**Operations and Maintenance Fund**," for the deposit of such transferred funds and for deposit of Gross Revenues. Upon the receipt of such notice by the Obligated Group Representative, the Members of the Obligated Group shall be required to deposit all Gross Revenues directly with the Master Trustee for deposit in the Operations and Maintenance Fund. The funds in the Operations and Maintenance Fund shall continue to be held in the Operation and Maintenance Fund until six months after the amounts on deposit in said fund are sufficient to pay in full, or have been used to pay in full, all Required Payments in default and all other Events of Default known to the Master Trustee shall have been made good or cured to the satisfaction of the Master Trustee or provision deemed by the Master Trustee to be adequate shall have been made therefor, whereupon the funds in the Operations and Maintenance Fund (except for the Gross Revenues required to make such payments or cure such defaults) shall be returned to the name and credit of the Obligated Group as directed in an Officer's Certificate. During any period that the Gross Revenues are required to be deposited directly with the Master Trustee into the Operations and Maintenance Fund, the Master Trustee shall use and withdraw amounts in said Fund from time to time (1) *first*, to make payments owed to Master Trustee in accordance with the Master Indenture, (2) *second*, to make Required Payments as such payments become due (whether by maturity, redemption, acceleration or otherwise), and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of Required Payments ratably without any discrimination or preference, and (3) *third*, to such other payments in the order which the Master Trustee, in its discretion, shall determine to be in the best interests of the Holders of Obligations without discrimination or preference. During any period that the Gross Revenues are required to be deposited directly with the Master Trustee into the Operations and Maintenance Fund, the Obligated Group shall not be entitled to use or withdraw any of the Gross Revenues unless and to the extent that the Controlling Owners so direct the Master Trustee to pay current or past due Operating Expenses of the Obligated Group. The Obligated Group agrees to execute and deliver all instruments as may be required to implement the terms of this paragraph. The Obligated Group further agrees that a failure to comply with the terms of this paragraph shall cause irreparable harm to the Holders and shall entitle the Master Trustee, with or without notice, to take immediate action to compel the specific performance of the obligations of the Obligated Group as provided in this paragraph.

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The Obligated Group covenants and agrees that, so long as any of the Obligations remain Outstanding, all of the Gross Revenues, after the payment of or provision for Operating Expenses and budgeted normal capital expenditures related to the maintenance of each Property to be paid within the next 30 days, shall be transferred from the Operating Account for deposit with the Master Trustee in the Revenue Fund, as set forth in the Master Indenture.

Rates and Charges; Coverage; Liquidity

Rates and Charges Generally. The Obligated Group covenants and agrees to fix, charge and collect, or cause to be fixed, charged and collected, rental rates, fees and charges due from the residents of the Properties so that Gross Revenues, together with other available moneys, will be sufficient to pay all Required Payments when due and all Operating Expenses.

Rate Covenant; Debt Service Coverage Ratio. The Obligated Group covenants and agrees to fix, charge and collect, or cause to be fixed, charged and collected, rental rates, fees, and charges in each Fiscal Year, commencing with the Bond Year ending January 1, 2026, sufficient to produce a (i) Debt Service Coverage Ratio (as defined below) of not less than 1.15:1.00 with respect to the Related Senior Lien Bonds, and (ii) a Debt Service Coverage Ratio of not less than 1.00:1.00 with respect to the Related Senior Lien Bonds and the Related Junior Lien Bonds in the aggregate (collectively, the "**Rate Covenant**"). If, based upon the annual financial statements of the Obligated Group, for any Fiscal Year such Debt Service Coverage Ratio was not maintained, the Obligated Group agrees to retain promptly an Independent Consultant for purposes of obtaining a report of such firm containing recommendations as to changes in the operating policies of the Obligated Group designed to maintain such Debt Service Coverage Ratio and to follow such recommendations.

No default under the preceding paragraph will occur if a Debt Service Coverage Ratio less than required but at least 1.00:1.00 with respect to the Related Senior Lien Bonds is maintained, and the Liquidity Requirement as of the related Testing Date was met; provided, however, if the Debt Service Coverage Ratio with respect to the Related Senior Lien Bonds is not attained by the end of the next Fiscal Year, then an Event of Default shall occur.

The Obligated Group's obligation to meet the Rate Covenant remains so long as any applicable Obligations are Outstanding.

Certain definitions related to determining compliance with the Rate Covenant are listed below. For any other related definition, see the form of the Master Indenture attached as **Appendix C-3** to this Limited Offering Memorandum.

"**Bond Year**" means each twelve (12) month period ending January 1; provided, however, that the first Bond Year commences on the Master Trust Indenture Effective Date and ends on January 1, 2026.

"**Debt Service Coverage Ratio**" means for any period for which a calculation is made, the ratio determined by dividing the Income Available for Debt Service for such period by the Debt Service Requirement for such period.

"***Debt Service Requirement***" means, with respect to any such calculated period of time, the aggregate of the payments required to be made during such period in respect of principal (whether at maturity, as a result of mandatory sinking fund redemption, mandatory prepayment or otherwise) and interest on outstanding Funded Indebtedness of each Person or a group of Persons with respect to which such requirements are calculated; provided that: (a) the amount of such payments for a future period shall be calculated in accordance with the assumptions contained in Section 3.12 of the Master Indenture; (b) interest shall be excluded from the determination of the Debt Service Requirement to the extent that Funded Interest is available to pay such interest; (c) payments on any Senior Lien Obligations as a result of transfers pursuant to Section 4.05(e) of the Master Indenture shall be excluded from the determination of the Debt Service Requirement; (d) principal of Indebtedness shall be excluded from the determination of the Debt Service Requirement to the extent that amounts are on deposit in an irrevocable escrow and such amounts (including, where appropriate, the earnings or other increment to accrue thereon) are required to be applied to pay such principal and such amounts so required to be applied are sufficient to pay such principal; (e) principal of Indebtedness due in its final year shall be excluded from the determination of Debt Service Requirement to the extent moneys were initially deposited and are on deposit as of the date of calculation in a debt service reserve fund which required that moneys on deposit in the debt service reserve fund be used to pay a principal payment in the final year of such Indebtedness; (f) any annual fees payable in respect of a Credit Facility (other than annual fees to be paid from proceeds of a

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bond issue escrowed for such purpose) shall be included in the determination of the Debt Service Requirement; (g) so long as any Senior Lien Obligations are Outstanding, all payments due on Junior Lien Obligations shall be excluded from the determination of the Debt Service Requirement; and (h) all payments due on any Affiliate Subordinated Indebtedness shall be excluded from the determination of the Debt Service Requirement.

"**Income Available for Debt Service**" means Gross Revenues less Operating Expenses for the applicable period; provided, that no determination thereof shall take into account: (a) any revenue or expense of the Obligated Group or any gain or loss resulting from either the early extinguishment or refinancing of Indebtedness or the sale, exchange or other disposition of capital assets not made in the ordinary course of business; (b) the net proceeds of insurance (other than business interruption insurance); (c) adjustments to the value of assets or liabilities resulting from changes in Generally Accepted Accounting Principles; (d) nonrecurring items which do not involve the receipt, expenditure or transfer of assets; or (e) proceeds of Indebtedness, other than Indebtedness incurred pursuant to subsection (h) under the caption "Limitations on Additional Indebtedness" below.

"**Operating Expenses**" means all current expenses of the Obligated Group, paid or accrued, as determined in accordance with Generally Accepted Accounting Principles, including without limitation (i) salaries and administrative expenses, (ii) the cost of supplies and materials, (iii) insurance premiums, (iv) professional services, including property management fees and Senior Management Fees, but excluding any Subordinated Management Fees, and (v) any rental payments made for operating leases; provided however, there shall be excluded from Operating Expenses (a) any non-cash expenses resulting from depreciation, amortization or the write down of existing assets and (b) expenses paid from grants or donations from state, federal, local sources, or from any Person, provided that such grants or donations were not included as part of Gross Revenue.

For purpose of calculating Income Available for Debt Service, "Operating Expenses" does not include (a) interest payments made on Indebtedness during the applicable period or (b) deposits to or expenses paid from any Rebate Fund established under a Related Bond Indenture, or any operational reserves, including the Operating Reserve Fund, the Repair and Replacement Fund, the Subordinated Management Fees Fund and the Surplus Fund.

Liquidity Requirement; Days Cash on Hand. The Obligated Group covenants that it will calculate the Days Cash on Hand of the Obligated Group as of December 31 of each Fiscal Year, commencing with December 31, 2025 (each such date being a "**Testing Date**").

Each Member of the Obligated Group is required to conduct its business so that on each Testing Date the Obligated Group shall have no less than (i) 60 Days Cash on Hand on the Closing Date, December 31, 2025, December 31, 2026 and December 31, 2027, (ii) 75 Days Cash on Hand on December 31, 2028 and December 31, 2029, (iii) 90 Days Cash on Hand on December 31, 2030 and December 31, 2031, and (iv) 120 Days Cash on Hand on December 31, 2032 and each December 31 thereafter (the "**Liquidity Requirement**").

If, based upon the annual financial statements of the Obligated Group required herein, for any Fiscal Year such Liquidity Requirement was not maintained, the Obligated Group agrees to employ promptly an Independent Consultant for purposes of obtaining a report of such firm containing recommendations as to changes in the operating policies of the Obligated Group designed to maintain such Liquidity Requirement and to follow such recommendations.

Notwithstanding any other provision of the Master Indenture, failure of the Obligated Group to achieve the required Liquidity Requirement for any Testing Date shall not constitute an Event of Default under the Master Indenture if the Obligated Group takes all action necessary to comply with the above paragraph and follows each recommendation contained in such Independent Consultant's report to the extent feasible (as determined in the reasonable judgment of the Governing Body of such Member) and permitted by law.

Certain definitions related to determining compliance with the Liquidity Requirement are listed below. For any other related definition, see the form of the Master Indenture attached as **Appendix C-3** to this Limited Offering memorandum.

"**Cash and Investments**" means the sum of cash, cash equivalents, marketable securities of the Members of the Obligated Group, board-designated assets, and amounts, if any, on deposit in the Operating Account, the Operating Reserve Fund, and the Surplus Fund, but at all times excluding (a) any debt service

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reserve fund or capitalized interest fund for the benefit of Related Bonds and other trustee-held funds (including, to the extent applicable, amounts held in escrow or otherwise set aside pursuant to the requirements of the Residency Agreements) other than those specific funds listed above in this definition, (b) funds restricted by the donor to a use that would not permit the use of such funds to pay expenses or debt service on Indebtedness of the Obligated Group, (c) any funds being held in escrow as security for contested taxes, assessments, governmental charges or liens, and (d) any funds pledged or otherwise subject to a security interest for debt other than the Obligations, as shown on the most recent audited or unaudited financial statements of the Obligated Group.

"**Days Cash on Hand**" means, as of the date of calculation, the amount determined by dividing (a) the amount of Cash and Investments on such date, by (b) the quotient obtained by dividing Operating Expenses for the 12-month period ending on the date of calculation, by 365.

For purposes of calculating Days Cash on Hand, "Operating Expenses" includes (a) the sum of (i) interest payments required to be made on Indebtedness during the applicable period and (ii) Subordinated Management Fees paid during the applicable period and excludes (b) the sum of (i) principal payments on Indebtedness, (ii) interest payments required to be made on Junior Lien Obligations during the applicable period and (iii) deposits to or expenses paid from any Rebate Fund established under a Related Bond Indenture, or any operational reserves, including the Operating Reserve Fund, the Repair and Replacement Fund, the Subordinated Management Fees Fund and the Surplus Fund.

Annual Budget

On the Master Trust Indenture Effective Date and at least forty-five (45) days prior to the first day of each Fiscal Year, commencing with the Fiscal Year beginning January 1, 2026, the Obligated Group shall prepare the Annual Budget for the following Fiscal Year, which Annual Budget shall include Operating Expenses detailed on a monthly basis. If the Obligated Group fails to prepare the Annual Budget for any Fiscal Year, the Annual Budget for the preceding Fiscal Year shall continue in effect until the Annual Budget is prepared for the remainder of the applicable Fiscal Year. Promptly following preparation by the Obligated Group, a copy of each Annual Budget or amendment thereto will be furnished to the Master Trustee (provided nothing in the Master Indenture shall obligate the Master Trustee to review such Annual Budget). The Annual Budget, and any amendment thereto, must indicate whether the Rate Covenant is anticipated to be met for the Fiscal Year to which such Annual Budget relates, based on the Gross Revenues estimated therein. The Annual Budget may be amended and any amendment, including a statement of the reasons for the amendment, shall be furnished to the Master Trustee within thirty (30) days after the adoption thereof.

If the Annual Budget, or any amendment thereto, indicates that the Rate Covenant is not anticipated to be met, an Independent Consultant shall be retained by the Obligated Group (i) to review the Annual Budget and (ii) to certify to the Master Trustee (x) that the Annual Budget, revised to reflect such recommendations or variations as may be presented in writing by the Independent Consultant, is reasonable, and (y) whether the Rate Covenant for the Fiscal Year to which such revised Annual Budget relates will be met based on the recommendations and the Operating Expenses projected by the Independent Consultant.

Admission and Withdrawal of Members to the Obligated Group

Persons may become a Member of the Obligated Group or withdraw as a Member of the Obligation subject to conditions set forth in the Master Indenture. See the form of the Master Indenture attached as **Appendix C-3** to this Limited Offering Memorandum.

Revenue Fund

Deposits of Funds into the Revenue Fund. After the payment of or provision for Operating Expenses and budgeted normal capital expenditures related to the maintenance of each such Property to be paid within the next 30 days, no later than the 10th day of each calendar month, the Obligated Group shall transfer to the Master Trustee from each Operating Account all amounts in excess of 30 days of both Operating Expenses and budgeted normal capital expenditures related to the maintenance of the applicable Property and the Master Trustee shall deposit such amounts into the Revenue Fund, as and when received, from (i) all Gross Revenues, (ii) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (iii) any other amounts required to be deposited therein pursuant to the Master Indenture and any Related Supplement.

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Flow of Funds from the Revenue Fund. The twentieth (20th) day of each calendar month, the Master Trustee shall use and withdraw amounts in the Revenue Fund and apply such amounts to the following purposes in the following order, provided that, in the event funds in any month are insufficient to make any one or more of such transfers, any and all of such deficiencies will be remedied prior to making any transfers to any subordinated funds (based on the following order of priority) in any future month:

(i) at the written direction of the Obligated Group Representative, to any Related Bond Trustee for deposit to the Rebate Fund established under a Related Bond Indenture, the amount set forth in such written direction;

(ii) at the written direction of the Obligated Group Representative, to the Master Trustee for deposit to the Administrative Costs Fund established under the Master Indenture, the amount set forth in such written direction for the payment of Administrative Fees;

(iii) to the following accounts in the following order of priority:

(1) the Interest Account of the Senior Lien Obligations Fund, an amount equal to the quotient obtained by dividing the amount of interest on the Senior Lien Obligations Outstanding payable on the first Interest Payment Date by the number of months between the related Closing Date and the first Interest Payment Date, and thereafter an amount equal to one-sixth (1/6th) of the amount of interest due and payable on the Senior Lien Obligations on the next Interest Payment Date, plus an amount equal to any then-existing shortfall from prior periods; and

(2) commencing on that calendar month as shall precede the first Principal Payment Date by more than twelve (12) but less than thirteen (13) months, the Principal Account of the Senior Lien Obligations Fund, an amount equal to one-twelfth (1/12th) of the Principal Amount of the Senior Lien Obligations due and payable on the next Principal Payment Date, including sinking fund installments, if applicable, plus an amount equal to any then-existing shortfall from prior periods;

In making such deposits, the Master Trustee shall reduce the amount of the Required Payments by (i) any investment earnings which have accrued in such accounts and (ii) any amounts which the Related Bond Trustee notifies it in writing are available for the Required Payments under the Related Bond Indenture;

(iv) to the Operating Reserve Fund, the operating reserve amount, if any, necessary for the Obligated Group to satisfy the Liquidity Requirement covenant (see "***Liquidity Requirement; Days Cash on Hand***" above), or such larger amount as may be requested by the Asset Manager, in order to permit the Borrower to meet its budgetary and covenant calculations, which amount shall be certified by the Obligated Group Representative to the Master Trustee and shall be set forth in the Annual Budget (the "**Operating Reserve Required Balance**");

(v) to the Repair and Replacement Fund, an amount equal to one-twelfth (1/12th) of an amount certified by the Asset Manager to the Master Trustee, which the Asset Manager shall calculate annually for each account of the Repair and Replacement Fund as equal to $300 per unit in the related Property with a cumulative CPI adjustment every three years, which amount shall be set forth in the Annual Budget (the "**Repair and Replacement Requirement**");

(vi) upon receipt of written notice from any Related Bond Trustee of a deficiency, to the Related Bond Trustee 1/36th of the amount set forth in such notice for the purpose of replenishing any debt service reserve account established with respect to any Related Senior Lien Bonds, and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of such amounts with respect to Related Senior Lien Bonds ratably without any discrimination or preference;

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(vii) annually, commencing with the transfer in the month following the delivery of a Certificate to the Master Trustee required by the Master Indenture that evidences compliance with the Rate Covenant and the Liquidity Requirement for the applicable period, along with a direction from the Obligated Group Representative as to the amounts to be transferred pursuant to the following subsections:

(A) to the Subordinated Management Fees Fund at the written direction of the Obligated Group Representative to the Master Trustee an amount set forth in such direction that is equal to the Annual Budget for the payment of the Subordinated Management Fees, provided that such amount, when combined with the Senior Management Fees, shall not exceed 1.5% of the Gross Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported on by independent certified public accountants are available;

(B) all amounts necessary to replenish any debt service reserve account established with respect to any Related Senior Lien Bonds in full (*i.e.* the amount set forth in the written notice from a Related Bond Trustee with respect to a deficiency less any amounts paid to date pursuant to clause (vi) above), to the Related Bond Trustee for the purpose of replenishing any debt service reserve account established with respect to any Related Senior Lien Bonds

(C) so long as any Senior Lien Obligations are Outstanding, 75% of all funds remaining in the Revenue Fund after the deposits required pursuant to clauses (i) through (vi) above and subclauses (A) and (B) of this clause (vii) to the Redemption Account of the Senior Lien Obligations Fund;

(D) to the Surplus Fund, any remaining amounts on deposit in the Revenue Fund.

If the Obligated Group Representative shall fail to deliver a Certificate to the Master Trustee required by the Master Indenture that evidences compliance with the Rate Covenant and the Liquidity Requirement for the applicable period, no transfers shall be made pursuant to this subsection (vii) until such time as a Certificate is provided to the Master Trustee that evidences compliance with the Rate Covenant and the Liquidity Requirement for a subsequent applicable period.

Shortfalls. In the event of a shortfall in the Revenue Fund to make the deposits pursuant to (i) through (vi) above, the Master Trustee shall take the following actions in the following order, as necessary: (1) transfer funds from the Surplus Fund, (2) transfer funds from the Subordinated Management Fees Fund, (3) transfer funds from the Repair and Replacement Fund, and (4) transfer funds from the Operating Reserve Fund.

Notwithstanding any other provision of the Master Indenture to the contrary relating to the timing for any transfers, deposits and withdrawals from any fund or account thereunder, at any time there is a shortfall in the amount of funds on deposit in any fund or account thereunder, on the Business Day prior to the day funds are needed to be applied from a fund or account, the Master Trustee shall be obligated to recompute and apply any funds available thereunder as if the directions for application were as of such date (*i.e.*, if additional funds are deposited into the Revenue Fund since the most recent application of funds from the Revenue Fund and funds are needed to be applied in order to apply funds to fund any needed payment or deposit, the Master Trustee shall apply such funds).

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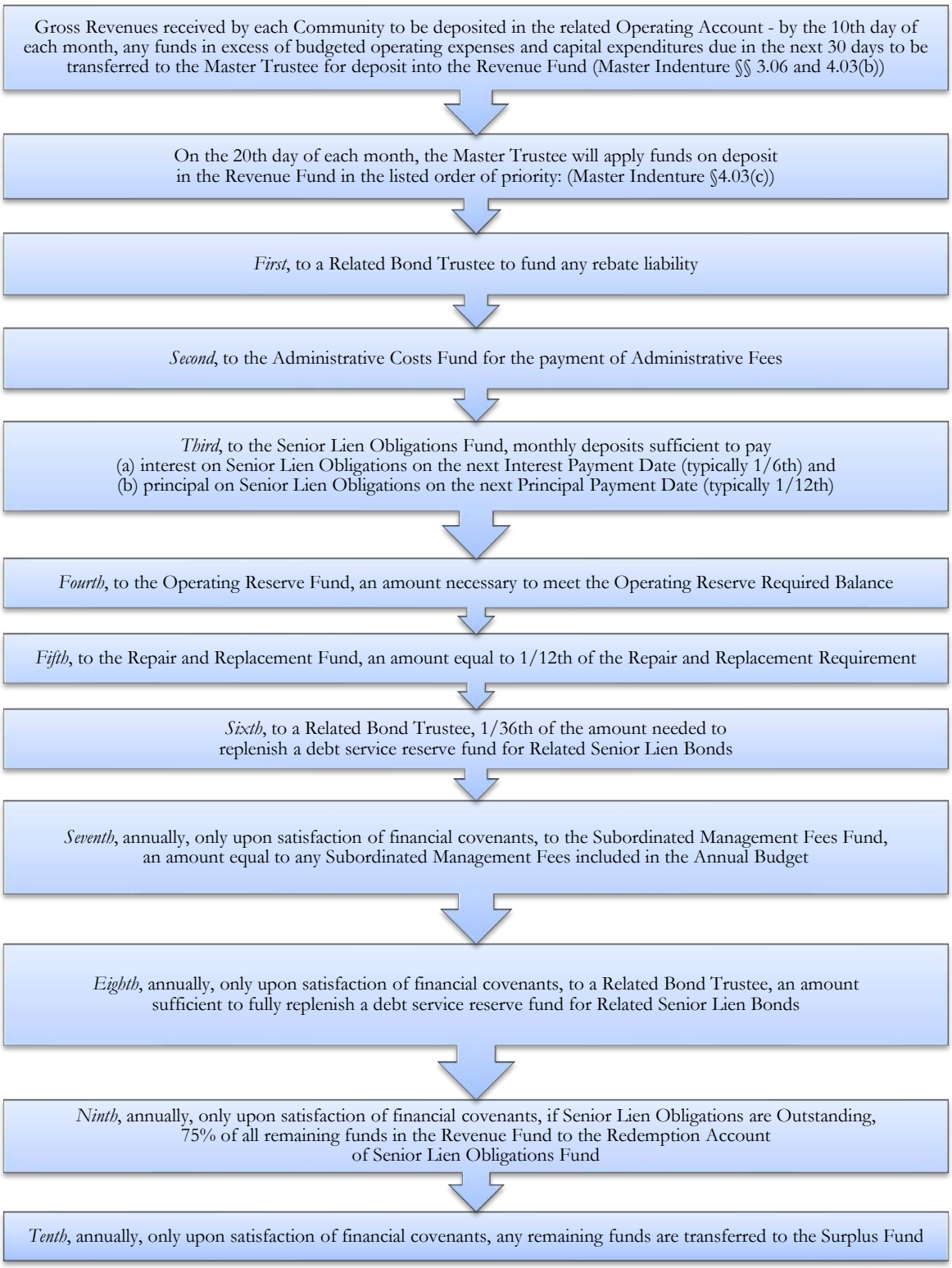
The following flowchart depicts the deposit of funds into the Operating Accounts, the flow of funds from the Operating Accounts into the Revenue Fund and the flow of funds from the Revenue Fund into other funds and accounts, as described above:



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Administrative Cost Fund

At the written direction of the Obligated Group Representative, the Master Trustee shall transfer and apply from the Administrative Costs Fund the amount set forth in such written direction in the manner described therein for the payment of Administrative Fees; provided, however, that the Master Trustee shall transfer and apply from the Administrative Costs Fund all amounts owed to a Related Bond Issuer (i) upon the Master Trustee's receipt of written notice from a Related Bond Issuer stating that such amounts are due and payable notwithstanding whether or not such amounts are included in the written direction of the Obligated Group Representative, or (ii) as directed in a Related Supplement.

Senior Lien Obligations Fund

Provided that no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice of in accordance with the Master Indenture, on the third (3rd) Business Day prior to each Payment Date, funds shall be transferred from the Interest Account of the Senior Lien Obligations Fund and the Principal Account of the Senior Lien Obligations Fund to the Related Bond Trustee to make Required Payments with respect to Senior Lien Obligations as such payments become due (whether by maturity, redemption, acceleration or otherwise), and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of Required Payments with respect to Senior Lien Obligations ratably without any discrimination or preference.

Provided that that (i) no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice in accordance with the Master Indenture, (ii) the Obligated Group Representative has delivered an Officer's Certificate to the Master Trustee evidencing compliance with the Liquidity Requirement and the Rate Covenant for the prior fiscal year in accordance with the Master Indenture, and (iii) the Obligated Group Representative has delivered written notice to the Master Trustee and each Related Bond Trustee by May 31st of such year stating the amount on deposit in the Redemption Account of the Senior Lien Obligations Fund available to redeem the applicable Related Bonds as of such date, then on the third Business Day prior to each July 1st, commencing with July 1, 2028, funds shall be transferred from the Redemption Account of the Senior Lien Obligations Fund, pro rata based on the then current outstanding principal amounts of the Related Bonds secured by a Senior Lien Obligation and as directed in writing by the Obligated Group Representative pursuant to clause (iii) above, to each Related Bond Trustee to redeem Related Bonds secured by Senior Lien Obligations.

Operating Reserve Fund

(i) At the written direction of the Obligated Group Representative directing a disbursement and certifying that such disbursement is permitted by the Master Indenture, the Master Trustee shall transfer and apply amounts on deposit in the Operating Reserve Fund for the payment of Operating Expenses (excluding Asset Management Fees), then due and payable, to the extent there are not sufficient funds for the payment thereof in the Operating Account, and (ii) at the written direction of the Asset Manager or the NFP Manager directing a disbursement and certifying that such disbursement is permitted by the Master Indenture, the Master Trustee shall transfer and apply amounts on deposit in the Operating Reserve Fund for the payment of any Asset Management Fees that have accrued and are payable to the Asset Manager or the NFP Manager but have been unpaid for at least four (4) years. The Master Trustee may rely upon any such written direction in making a disbursement from the Operative Reserve Fund.

On the last Business Day of the month to each Interest Payment Date, the Master Trustee shall transfer all amounts on deposit in the Operating Reserve Fund in excess of the Operating Reserve Required Balance to the Revenue Fund; provided that, the Master Trustee shall retain such additional amounts in the Operating Reserve Fund as indicated pursuant to the written direction of the Obligated Group Representative.

Repair and Replacement Fund

Provided that no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice of in accordance with the Master Indenture, at the direction of Obligated Group Representative, funds may be withdrawn from an account in the Repair and Replacement Fund for expenditures for the related Property associated with repairs and maintenance; building improvements; site preparation; onsite or offsite infrastructure improvements necessitated or required by the construction or development of such Property (including but not limited to, sidewalks and curbs, roadway improvements, traffic signals, intersection and turn-lane improvements, stormwater and sanitary sewers,

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drainage improvements, utility lines and pipes, environmental remediation and wetland mitigation); to pay operating costs or scheduled debt service as needed, to the extent funds are not otherwise available in the applicable Operating Account, the Operating Reserve Fund or the Surplus Fund.

On the last Business Day of the month prior to each Interest Payment Date, the Master Trustee shall transfer all amounts on deposit in the accounts of the Repair and Replacement Fund in excess of the applicable Repair and Replacement Requirement to the Revenue Fund; provided that, the Master Trustee shall retain such additional amounts in the accounts of the Repair and Replacement Fund as indicated pursuant to the written direction of the Obligated Group Representative.

Upon the sale or other transfer of a Property to a Person who is not a Member of the Obligated Group in accordance with the terms of the Master Indenture, the account in the Repair and Replacement Fund designated for such Property may be closed and the funds on deposit therein may be deposited in either (i) one or more of the other accounts in the Repair and Replacement Fund, or (ii) the Revenue Fund, as indicated pursuant to a written direction of the Obligated Group Representative.

Junior Lien Obligations Fund

Provided that no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice in accordance with the Master Indenture, on the third (3rd) Business Day prior to each Payment Date, funds shall be transferred from the Interest Account of the Junior Lien Obligations Fund and the Principal Account of the Junior Lien Obligations Fund to the Related Bond Trustee to make Required Payments with respect to Junior Lien Obligations as such payments become due (whether by maturity, redemption, acceleration or otherwise), and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of Required Payments with respect to Junior Lien Obligations ratably without any discrimination or preference.

Provided that no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice in accordance with the Master Indenture, on the third (3rd) Business Day prior to each Payment Date, funds shall be transferred from the Interest Account of the Junior Lien Obligations Fund and the Principal Account of the Junior Lien Obligations Fund to the Related Bond Trustee to make Required Payments with respect to Junior Lien Obligations as such payments become due (whether by maturity, redemption, acceleration or otherwise), and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of Required Payments with respect to Junior Lien Obligations ratably without any discrimination or preference; provided, however, no transfer pursuant to this paragraph shall be permitted unless and until the Obligated Group Representative and the Asset Manager provides a written certification to the Master Trustee that (i) no Event of Default exists under this Master Indenture or any other Obligated Group Document and no Default will exist under this Master Indenture or any other Obligated Group Document following such transfer and (ii) confirming that the Operating Reserve Fund, the Repair and Replacement Fund and each debt service reserve fund established under a Related Bond Indenture is fully funded in accordance with the provisions of the Master Trust Indenture and each Related Bond Indenture.

Subordinated Management Fees Fund

At the written direction of the Obligated Group Representative, the Master Trustee shall transfer and apply amounts on deposit in the Subordinated Management Fees Fund for the payment of Subordinated Management Fees, then due and payable; provided, however, that the transfer of amounts from the Subordinated Management Fees Fund cannot be made until the Obligated Group Representative and the Asset Manager provides a written certification to the Master Trustee that (i) the Obligated Group expects to satisfy the Rate Covenant as of the end of the current Fiscal Year based on current year-to-date operations and (ii) confirming that the Operating Reserve Fund, the Repair and Replacement Fund and each debt service reserve fund established under a Related Bond Indenture is fully funded in accordance with the provisions of the Master Indenture and each Related Bond Indenture.

On the last Business Day of the month prior to each Interest Payment Date, the Master Trustee shall transfer all amounts on deposit in the Subordinated Asset Management Fees Fund to the Revenue Fund; provided that, the Master Trustee shall retain such additional amounts in the Subordinated Asset Management Fees Fund as indicated pursuant to the written direction of the Obligated Group Representative.

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Surplus Fund

At the direction of Obligated Group Representative and the Asset Manager, which shall be in the form provided in the Master Indenture and signed by the Obligated Group Representative and the Asset Manager, funds may be (i) withdrawn from the Surplus Fund as directed by the Obligated Group Representative and the Asset Manager for use in supporting the organization and mission of the Borrower and the other Members of the Obligated Group, (ii) transferred to the Principal Account of the Senior Lien Obligations Funds or the Junior Lien Obligations Fund for the redemption of Senior Lien Obligations or Junior Lien Obligations, .

Limitations on Additional Indebtedness

So long as any Obligations are outstanding, the Obligated Group will not incur any Additional Indebtedness (whether or not incurred through the issuance of Additional Obligations) other than:

(a) Funded Indebtedness, if prior to incurrence thereof or, if such Funded Indebtedness was incurred in accordance with another subsection under this caption "Limitations on Additional Indebtedness" and any Member wishes to have such Indebtedness classified as having been issued under this subsection (a), prior to such classification, there is delivered to the Master Trustee a Sufficiency Certificate (see the caption "Sufficiency Certificate" below).

(b) Funded Indebtedness for the purpose of refunding (whether in advance or otherwise) any outstanding Funded Indebtedness if prior to the incurrence thereof an Officer's Certificate of a Member is delivered to the Master Trustee stating that, taking into account the issuance of the proposed Funded Indebtedness and the application of the proceeds thereof and any other funds available to be applied to such refunding, the Maximum Annual Debt Service Requirement of the Obligated Group will not be increased by more than 10%, provided that if only a portion of any outstanding Funded Indebtedness is being refunded, such Officer's Certificate shall state that under such assumptions the Maximum Annual Debt Service Requirement of the Obligated Group will not be increased.

(c) Short Term Indebtedness (other than accounts payable under subsection (g) below), in a total principal amount which at the time incurred does not, together with the principal amount of all other such Short Term Indebtedness of the Obligated Group then outstanding under this subsection (c) but excluding the principal payable on all Funded Indebtedness during the next succeeding 12 months and also excluding such principal to the extent that amounts are on deposit in an irrevocable escrow and such amounts (including, where appropriate, the earnings or other increments to accrue thereon) are required to be applied to pay such principal and such amounts so required to be applied are sufficient to pay such principal, exceed 10% of the Gross Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported upon by independent certified public accountants are available; provided, however, that for a period of 20 consecutive calendar days in each Fiscal Year the total amount of such Short Term Indebtedness of the Obligated Group outstanding under this subsection (c) shall be not more than 5% of the Revenues of the Obligated Group during the preceding Fiscal Year plus such additional amount as the Obligated Group Representative certifies in an Officer's Certificate is (i) attributable to Short Term Indebtedness incurred to offset a temporary delay in the receipt of funds due from third party payors, and (ii) in the minimum amount reasonably practicable taking into account such delay. For the purposes of this subsection, Short Term Indebtedness shall not include overdrafts to banks to the extent there are immediately available funds of the Obligated Group sufficient to pay such overdrafts and such overdrafts are incurred and corrected in the normal course of business.

(d) Balloon Indebtedness if:

(1) (A) there is in effect at the time such Balloon Indebtedness is incurred a binding commitment (including without limitation letters or lines of credit or insurance) which may be subject only to commercially reasonable contingencies by a financial institution or bond insurer or surety generally regarded as responsible, to provide financing sufficient to pay the principal amount of such Balloon Indebtedness coming due in each consecutive 12 month period in which 25% or more of the original principal amount of such Balloon Indebtedness comes due; and (B) the conditions set forth in subsection (a) above are met for any Fiscal Year in which 25% or more of the original principal amount of such Balloon Indebtedness comes due when it is assumed that (1) the portion of Balloon Indebtedness coming due in such Fiscal Year matures over 30 years from the date of issuance of the

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Balloon Indebtedness, bears interest on the unpaid balance at the Projected Rate and is payable on a level annual debt service basis over a period of no more than 30 years, or (2) the portion of Balloon Indebtedness coming due in such Fiscal Year matures according to its actual principal amortization schedule, bears interest on the unpaid balance at the Projected Rate, but this clause (2) shall only be used if the amortization of all Indebtedness of the Obligated Group outstanding, when the Balloon Indebtedness debt service being calculated is calculated according to this subsection (d), varies no more 10% per year; or

(2) the aggregate principal amount of all Balloon Indebtedness issued pursuant to this subsection (d) does not exceed 10% of the Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported upon by independent certified public accountants are available, and the total amount of all Indebtedness outstanding which was issued pursuant to the provisions of this subsection (d)(2), and subsections (c), (e)(3), (k) and (m) shall not exceed 15% of the Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported on by independent certified public accountants are available; or

(3) the Balloon Indebtedness to be incurred has a remaining term of five years or greater beginning in such Fiscal Year, and

(A) the Member incurring such Balloon Indebtedness establishes in an Officer's Certificate filed with the Master Trustee an amortization schedule for such Balloon Indebtedness, which amortization schedule shall provide for payments of principal and interest for each Fiscal Year that are not less than the amounts required to make any actual payments required to be made in such Fiscal Year by the terms of such Balloon Indebtedness;

(B) such Member agrees in such Officer's Certificate to deposit each Fiscal Year with a bank or trust company (pursuant to an agreement between such Member and such bank or trust company) the amount of principal shown on such amortization schedule net of any amount of principal actually paid on such Balloon Indebtedness during such Fiscal Year (other than from amounts on deposit with such bank or trust company) which deposit shall be made prior to any such required actual payment during such Fiscal Year if the amounts so on deposit are intended to be the source of such actual payments; and

(C) the conditions described in subsection (a) above are met with respect to such Balloon Indebtedness when it is assumed that such Balloon Indebtedness is actually payable in accordance with such amortization schedule.

(e) Put Indebtedness if:

(1) the amount of such Put Indebtedness does not exceed 10% of the Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported upon by independent certified public accountants are available and the conditions set forth in subsection (a) above are met with respect to such Put Indebtedness when it is assumed that (A) such Put Indebtedness bears interest at the Projected Rate and is payable on a level annual debt service basis over a period of no more than 30 years commencing with the next succeeding Put Date, or (B) such Put Indebtedness bears interest at the Projected Rate and is payable according to its actual principal amortization schedule, but this subsection (B) shall only be used if the debt service of all Indebtedness of the Obligated Group outstanding, when the Put Indebtedness debt service being calculated is calculated according to this subsection (B), varies no more than 10% per year;

(2) (A) there is in effect at any time such Put Indebtedness is incurred a binding commitment (including without limitation letters or lines of credit or insurance) which may be subject only to commercially reasonable contingencies by a financial institution or bond insurer or surety generally regarded as responsible, to provide financing sufficient to pay the principal amount of such Put Indebtedness on any Put Date, and (B) the conditions set forth in subsection (a) are met for any Fiscal Year in which 25% or more of the original principal amount of such Put Indebtedness may come due when it is assumed that (1) the portion of Put Indebtedness which may come due in such Fiscal Year matures over 30 years from the date of issuance of the Put Indebtedness, bears interest on the

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unpaid balance at the Projected Rate and is payable on a level annual debt service basis over a period of no more than 30 years, or (2) the portion of Put Indebtedness which may come due in such Fiscal Year matures according to its actual principal amortization schedule, bears interest on the unpaid balance at the Projected Rate, but this subsection (2) shall only be used if the amortization of all Indebtedness of the Obligated Group outstanding, when the Balloon Indebtedness debt service being calculated is calculated according to this subsection (2), varies more than 10% per year; or

(3) the aggregate principal amount of all Put Indebtedness issued pursuant to this subsection (f) does not exceed 10% of the Gross Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported on by independent certified public accountants are available, and the total amount of all Indebtedness outstanding which was issued pursuant to the provisions of this subsection (3), and subsections (c), (d)(2), (k) and (m) shall not exceed 15% of the Gross Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported on by independent certified public accountants are available.

(f) Liabilities for contributions to self-insurance or shared or pooled risk insurance programs required or permitted to be maintained under the Master Indenture.

(g) Indebtedness consisting of accounts payable incurred in the ordinary course of business or other Indebtedness not incurred or assumed primarily to assure the repayment of money borrowed or credit extended which Indebtedness is incurred in the ordinary course of business.

(h) Indebtedness incurred in connection with a sale or pledge of accounts receivable with or without recourse by any Member consisting of an obligation to repurchase all or a portion of such accounts receivable upon certain conditions, provided that (i) the principal amount of such Indebtedness permitted hereby shall not exceed the aggregate sale price of such accounts receivable received by such Member, and (ii) the proceeds of such Indebtedness shall be considered Gross Revenues and shall be deposited into Revenue Fund.

(i) Non-Recourse Indebtedness, without limit.

(j) Indebtedness secured by Property described in subsection (i) of the definition of Permitted Lien.

(k) Subordinated Indebtedness, without limit.

(l) Commitment Indebtedness, without limit.

(m) Indebtedness the principal amount of which at the time incurred, together with the aggregate principal amount of all other Indebtedness then outstanding which was issued pursuant to the provisions of this subsection (m) and which has not been subsequently reclassified as having been issued under another subsection under this caption "Limitations on Additional Indebtedness," does not exceed 10% of the Gross Revenues of the Obligated Group for the latest preceding Fiscal Year for which financial statements reported upon by independent certified public accountants are available; provided, however, that the total amount of all Indebtedness outstanding which was issued pursuant to the provisions of subsections (c), (d)(2), (e)(3), (k) and this subsection (m) shall not exceed 15% of the Gross Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported on by independent certified public accountants are available.

(n) Indebtedness in the form of Permitted Investments (to the extent the same constitute Indebtedness), without limit.

Various types of Indebtedness may be incurred under any of the above referenced subsections with respect to which the tests set forth in such subsection are met and need not be incurred under only a subsection specifically referring to such type of Indebtedness (*e.g.*, Balloon Indebtedness and Put Indebtedness may be incurred under subsection (a) above if the tests therein are satisfied).

Each Member covenants that Indebtedness of the type permitted to be incurred under subsection (g) above will not be allowed to become overdue for a period in excess of that which is in the ordinary course of business, based on

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applicable industry standards and taking into consideration the size and type of the facility, without being contested in good faith and by appropriate proceedings.

Each Member covenants that prior to, or as soon as reasonably practicable after, the incurrence of Indebtedness by such Member for money borrowed or credit extended, or the equivalent thereof, after the issuance of the Bonds, it will deliver to the Master Trustee an Officer's Certificate which identifies the Indebtedness incurred, identifies the subsection pursuant to which such Indebtedness was incurred, demonstrates compliance with the provisions of such subsection and attaches a copy of the instrument evidencing such Indebtedness; provided, however, that this requirement shall not apply to Indebtedness incurred pursuant to subsection (f), (g) or (n) above.

Each Member agrees that, prior to incurring Additional Indebtedness for money borrowed from or credit extended by entities other than issuers of Related Bonds, sellers of real or personal property for purchase money debt, lessors of such property or banks or other institutional lenders, it will provide the Master Trustee with an Opinion of Counsel to the effect that, to such counsel's knowledge, such Member has complied in all material respects with all applicable state and federal laws regarding the sale of securities in connection with the incurrence of such Additional Indebtedness (including the issuance of any securities or other evidences of indebtedness in connection therewith) and such counsel has no reason to believe that a right of rescission under such laws exists on the part of the entities to which such Additional Indebtedness is to be incurred.

Sufficiency Certificate

"**Sufficiency Certificate**" means, with respect to a proposed action requiring the delivery of the same to the Master Trustee, one of the following:

(a) Historical Pro Forma Test - a Certificate of an Authorized Representative of the Obligated Group Representative stating that, after giving effect to such action, the outstanding and proforma Indebtedness has a Debt Service Coverage looking backwards of at least 1.25x on the Senior Lien Obligations;

(b) Pro Forma Projection Test – an Independent Consultant's result stating that, after giving effect to such action and commencing the first full year of operations of additionally financed properties, the Projected Debt Service Coverage Ratio, will not be less than 1.25x:1.00x with respect to all Senior Lien Obligations; or

(c) the written consent of the Controlling Party; provided, however, for purposes of this clause (c) with respect to the incurrence of Additional Indebtedness, (i) the incurrence of Additional Indebtedness in the form of Senior Lien Obligations shall require the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Senior Lien Obligations, and the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Junior Lien Obligations; and (ii) the incurrence of Additional Indebtedness in the form of Junior Lien Obligations shall require the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Junior Lien Obligations.

For purposes of any Sufficiency Certificate delivered pursuant to clause (a) or clause (b) above, (i) any deposit of Bond Proceeds into the Revenue Fund on a Closing Date shall be treated as Gross Revenues received by the Master Trustee on such Closing Date, and (ii) a Sufficiency Certificate shall not be deemed defective solely because such Sufficiency Certificate shows a deficiency in the Projected Debt Service Coverage Ratio for the period between the Closing Date and the beginning of the immediately succeeding Fiscal Year.

Permitted Liens

The Obligated Group covenants and agrees that there are no liens, and that it will not suffer to exist any liens, on any of its assets or revenues, except for Permitted Liens.

"**Permitted Liens**" shall mean and include:

(a) Liens arising out of judgments or awards fully covered by insurance or with respect to which an appeal or proceeding for review is being prosecuted and a bond or cash reserves have been provided;

(b) Any Lien (i) described in the final title policy which summarized certain liens existing on the Master Trust Indenture Effective Date or (ii) described in the final title policy which summarizes certain liens

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existing as of the date of the acquisition of any Properties acquired after the Master Trust Indenture Effective Date; provided that no such Lien (or the amount of Indebtedness secured thereby) may be increased, extended, renewed or modified to apply to any Property of the Obligated Group not subject to such Lien on such date, unless (1) such Lien as so extended, renewed or modified otherwise qualifies as a Permitted Lien or (2) the maturity date of the Indebtedness secured by such Lien is not extended and either the total principal and interest requirements or the maximum annual principal and interest requirements (calculated in a manner consistent with the calculation of the Debt Service Requirement) on such Indebtedness is not increased as a result of the refinancing of such Indebtedness;

(c) Any Lien in favor of the Master Trustee, the enforcement of which is governed by the Master Indenture;

(d) Liens, deposits or pledges incurred or created in accordance with the Annual Budget and in the ordinary course of business in connection with or to secure the performance of or under leases of real estate, bids or contracts (other than a contract for the payment of money), deposits by the Obligated Group to secure public or statutory obligations, or to participate in local, state or federal programs desirable for the conduct of the business of the Obligated Group, or to secure, or in lieu of, surety, stay or appeal bonds;

(e) Liens for taxes, assessments or governmental charges which are not yet due or which are being contested and the amount of such contested taxes, assessments or governmental charges have been reserved by the applicable Member during the period of such contest;

(f) Any Liens incidental to the conduct of the Obligated Group's business or the Property (other than borrowed money) that would not reasonably be expected to have a material adverse effect on the interests of the Holder of Obligations;

(g) Mechanics', materialmen's, workers', repairmen's, employees', warehousemen's, carriers' or other like Liens arising in the ordinary course of business securing obligations incurred in connection with the Property which are not yet due, or which are fully bonded and which are being contested;

(h) Such minor defects, irregularities, encumbrances, easements, rights of way and clouds on title existing on the date such Property is initially acquired by the Obligated Group, or as normally exist with respect to properties similar in character and location to the affected Property and as do not materially impair the use of such Property for the purpose for which it was acquired as certified in writing by an Authorized Representative of the Obligated Group or to which the Controlling Party consents (which consent shall be deemed to be given if the Obligated Group notifies the holders of the Related Bonds that it intends to take such action and the Controlling Party does not object within thirty (30) days of such notice);

(i) any Lien on Property acquired by a Member which Lien secures Indebtedness issued, incurred or assumed by any Member, in connection with and to effect such acquisition or existing Indebtedness assumed as part of such acquisition which will remain outstanding after such acquisition which Lien encumbers Property other than the Mortgaged Property, if in any such case the aggregate principal amount of such Indebtedness does not exceed 100% of the Fair Market Value of such Property subject to such Lien as determined in good faith by the Governing Body of the Member;

(j) any Lien existing for not more than fourteen (14) days after the Obligated Group Representative shall have received notice thereof; and

(k) Liens securing Indebtedness permitted to be incurred pursuant to the Master Indenture.

Sale, Lease or other Disposition of Property

Pursuant to the Master Indenture, the Obligated Group agrees not to Transfer in any Fiscal Year any Property except:

(a) With the approval of the Asset Manager, to any Person, any Property or assets equal to or less than $1,000,000 in value per year in the aggregate;

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(b) Dispositions of obsolete, worn out or defective equipment;

(c) Dispositions of Permitted Investments at fair market value;

(d) To any other Member of the Obligated Group provided that the Mortgage is assigned and/or amended to reflect the Transfer, which assignment or amendment shall not require the consent of a Controlling Party;

(e) Mortgaged Property is not necessary for the operation of the related senior living and healthcare facilities provided that (i) the net proceeds of such sale or other disposition are applied as set forth in paragraph (f) below or (ii) if the Master Trustee has received an Opinion of Bond Counsel to the effect that under then existing law the deposit of such net proceeds in the Revenue Fund would not, in of itself, adversely affect the validity of any Related Bonds or any exemption from federal or state income taxation of interest payable on such Related Bonds otherwise entitled to such exemption, the net proceeds of such sale or other disposition are deposited in the Revenue Fund; and

(f) To any Person provided that such Property is transferred for at least Fair Market Value (provided that, the Obligated Group Representative shall, prior to such transfer, furnish to the Master Trustee a Sufficiency Certificate (see the caption "Sufficiency Certificate" above) with confirming directions and an Officer's Certificate from the Asset Manager) and the net proceeds of such sale or other disposition are applied to the payment of the redemption price of Related Bonds in a principal amount as set forth in the Related Bond Indenture for such Related Bonds. Before any Transfer of Property described in above, the Obligated Group Representative shall furnish to the Master Trustee (i) an Officer's Certificate stating that no Event of Default has occurred and is continuing, that no Default will occur or exist as a result of the proposed transfer and stating the amount of the net proceeds, if any, anticipated to be derived from such sale or other disposition of such Property, and (ii) an independent appraisal (which shall be conducted by an independent appraiser) of the Property so sold or disposed of, showing such Property is to be sold or disposed of at a price at least equal to its Fair Market Value.

In addition to the foregoing limitations, except with respect to (a), (b), (c) and (d) above, the Obligated Group may not Transfer any Property unless (1) the Master Trustee shall be furnished with an Officer's Certificate to the effect that (i) the security of the Mortgage relating to such Property and the ability of the mortgagee thereunder to foreclose upon any remaining adjoining Property will not be impaired as a result of the disposition of such Property, and (ii) the Obligated Group shall have conveyed to the mortgagee under such Mortgage such rights-of-way, easements and other rights in land as are required for ingress to and egress from any remaining Property, for the utilization of the facilities located thereon and for utilities required to serve such facilities; and (2) except as set forth in subsection (e) above, the Obligated Group shall cause the proceeds, if any, of a sale of such Property to be applied to (a) the defeasance or redemption of Obligations or such portions thereof related to such Property as set forth in any applicable Related Bond Indenture, and the Obligated Group shall provide a written direction to the Master Trustee and any Related Bond Trustee relating to the defeasance or redemption of Related Bonds secured by such Obligations; and (b) the payment of any professional services fees (including but not limited to legal fees, broker fees, and servicing fees) incurred by the Obligated Group in connection with the sale of such Property. In the event that the sale of such Property produces any Excess Sale Proceeds, such Excess Sale Proceeds shall be deposited with the Master Trustee and be applied as follows, as set forth in a written direction received from the Obligated Group Representative: (x) *first*, if at the time of receipt of such Excess Sale Proceeds a deficiency exists with respect to the amount on deposit in any debt service reserve account established with respect to any Related Senior Lien Bonds, such Excess Sale Proceeds shall be deposited in such debt service reserve fund in an amount sufficient to cure such deficiency (or until such Excess Sale Proceeds have been exhausted); (y) *second*, if at the time of receipt of such Excess Sale Proceeds a deficiency exists with respect to the amount on deposit in any debt service reserve account established with respect to any Related Junior Lien Bonds, such Excess Sale Proceeds shall be deposited in such debt service reserve fund in an amount sufficient to cure such deficiency (or until such Excess Sale Proceeds have been exhausted); (z) *third*, any remaining Excess Sale Proceeds shall be deposited into the Surplus Fund. The Master Trustee may establish such accounts or subaccounts under the Master Indenture for the receipt of proceeds of the sale of Property and the defeasance or redemption of Obligations as may be necessary in compliance with this Section.

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Other Covenants and Restrictions – Master Indenture. The Master Indenture contains various other covenants and restrictions which are applicable to Members of the Obligated Group. See the form of the Master Indenture attached as **Appendix C-3** to this Limited Offering Memorandum.

Mortgages

As additional security for its obligation under the Master Indenture, the Obligated Group has mortgaged each of the Communities (see the captions "**OBLIGATED GROUP – Acquisition of Communities**" and "**OBLIGATED GROUP – Appraisals of Communities**" in **Appendix A-1** to this Limited Offering Memorandum for a description of such facilities) to the Master Trustee pursuant to the Mortgages. Each Mortgage secures the payment of the Obligations (including any Obligations issued after the issuance of the Bonds) and grants a security interest in the real property owned by the related Member of the Obligated Group. See **Appendix C-4** to this Limited Offering Memorandum for the forms of Mortgage used in each state in which a Community is located (*i.e.*, Florida and Louisiana).

The Obligated Group has obtained, for the benefit of the Master Trustee, title insurance policies insuring the applicable Member of the Obligated Group's ownership of the real property mortgaged under each Mortgage and the priority of each Mortgage as an encumbrance on the related Mortgaged Property. The Master Trustee's title insurance policies will be issued in an amount not less than the principal amount of the Obligations outstanding under the Master Indenture following the issuance of the Bonds and the related Obligations.

RISK FACTORS

The following is a discussion of certain investment considerations and risks that could affect payments to be made by the Borrower and the other Members of the Obligated Group with respect to the Bonds. Such discussion is not, and is not intended to be, exhaustive and should be read in conjunction with all other parts of this Limited Offering Memorandum and should not be considered as a complete description of all investment considerations and risks that could affect such payments. Prospective purchasers of the Bonds should analyze carefully the information contained in this Limited Offering Memorandum, including the appendices hereto, and additional information in the form of the complete documents summarized herein and in Appendices C-1, C-2 and C-3 hereto.

General

The paragraphs set forth below discuss certain risks associated with an investment in the Bonds but are not intended to be a complete enumeration of all risks associated with the purchase of any of the Bonds. Other investment risks are discussed in other sections of this Limited Offering Memorandum.

Except as otherwise noted herein, the Bonds will be payable solely from the payments to be made by the Borrower under the Loan Agreement, by the Obligated Group under the Obligations and from certain other available moneys pledged under the Loan Agreement, the Master Indenture, the Bond Indenture, and the Mortgages. No entity or person other than the Obligated Group is, or shall be, in any way liable or responsible for any payments to be made under the Loan Agreement and the Obligations. The Obligated Group will have no significant assets other than the Communities and no significant sources of income other than revenues received from the operation of the Communities. See **Appendix A-1** hereto. Accordingly, owners of the Bonds must look solely to the security provided under the Master Indenture, the Bond Indenture, the Loan Agreement, and the Mortgages for payment of the principal, redemption premium, if any, and interest due on the Bonds.

A BOND OWNER IS ADVISED TO READ THE ENTIRE LIMITED OFFERING MEMORANDUM, INCLUDING THE APPENDICES HERETO, AND REFERENCE IS MADE TO THE CAPTION "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" AND THIS SECTION FOR A DISCUSSION OF CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE BONDS.

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Limited Obligations

The Bonds are special, limited obligation of the Issuer and do not constitute a debt, liability, or obligation of the State, or any political subdivision thereof, or a charge against the general credit of the Issuer or the State or the taxing powers of the State, or any political subdivision thereof. The Issuer shall not be obligated to pay the principal or, premium, if any, or interest on the Bonds except from the income, revenues, and receipts derived or to be derived from the Pledged Revenues. The issuance of the Bonds shall not directly or indirectly or contingently obligate the Issuer, the State or any political subdivision thereof to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment. The Issuer has no taxing power. The Bonds have three principal sources of payment, as follows:

(1) Loan payments received by the Bond Trustee from the Borrower pursuant to the terms of the Loan Agreement and the Obligated Group pursuant to the Obligations. The Issuer has no obligation to pay the Bonds except from loan payments derived from the Loan Agreement and from the Obligated Group pursuant to the Obligations. The Bonds, together with interest and premium, if any, thereon, will be limited obligations of the Issuer as described in this Limited Offering Memorandum. Under the Loan Agreement, which the Issuer has assigned to the Bond Trustee, except for certain reserved rights, the Obligated Group will be required to make loan payments to the Bond Trustee in amounts sufficient to enable the Bond Trustee to pay the principal of, premium, if any, and interest on the Bonds. Such loan payments are, however, anticipated to be derived solely from operation of the Communities owned by certain Members of the Obligated Group and investment earnings. Profitable operation of the facilities of the Obligated Group depends in large part on achieving and maintaining certain occupancy levels at the facilities throughout the term of the Bonds. However, no assurance can be made that the revenues derived from the operation of the Communities will be realized by the Obligated Group in the amounts necessary, after payment of operating expenses of the facilities of the Obligated Group, to pay maturing principal of, premium, if any, and interest on the Bonds and the Outstanding Obligations.

(2) Revenues received from operation of the facilities of the Obligated Group by a receiver upon a default under the Master Indenture or the Bond Indenture. Attempts to have a receiver appointed to take charge of properties pledged to secure loans are frequently met with defensive measures such as the initiation of protracted litigation and/or the initiation of bankruptcy proceedings, and such defensive measures can prevent the appointment of a receiver or greatly increase the expense and time involved in having a receiver appointed. It is therefore likely that prospects for uninterrupted payment of principal and interest on the Bonds and the Outstanding Obligations in accordance with their terms are largely dependent upon the source described in (1) above, which is wholly dependent upon the success of the Obligated Group in operating their facilities in a profitable manner.

(3) Proceeds realized from the sale or lease of the facilities of the Obligated Group to a third party by the Master Trustee. Attempts to sell or foreclose on commercial property or otherwise realize upon security for obligations may be met with defensive measures such as protracted litigation and/or bankruptcy proceedings, and that such defensive measures can greatly increase the expense and time involved in achieving such foreclosure or other realization. In addition, the Master Trustee could experience difficulty in selling or leasing the Communities or any other facilities of the Obligated Group upon foreclosure due to the special-purpose nature of each Community and similar facilities and the proceeds of such sale may not be sufficient to fully pay the owners of the Bonds and the Outstanding Obligations.

The best prospects for uninterrupted payment of principal and interest on the Bonds in accordance with their terms is the source described in (1) above, which is wholly dependent upon the success of the Obligated Group in operating its facilities in a profitable manner. Even if its facilities are operating profitably, other factors could affect the Obligated Group's ability to make loan payments under the Loan Agreement, the Obligations issued to secure the Borrower's obligations under the Loan Agreement and any other Outstanding Obligations.

General Uncertainty of Revenues

As noted elsewhere, except to the extent that the Bonds will be payable from the proceeds of insurance, sale or condemnation awards, the Bonds will be payable solely from payments or prepayments to be made by the Borrower under the Loan Agreement and the Obligated Group under the Obligations. The ability of the Borrower to make payments under the Loan Agreement and the ability of the Obligated Group, including any future Members of the Obligated Group,

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to make payments on the Obligations and other is dependent upon the generation by the Obligated Group of revenues in the amounts necessary for the Obligated Group to pay such Obligations, as well as other operating and capital expenses.

The financial feasibility of each Community and payment, when due, of the Bonds and the Outstanding Obligations, is dependent on the continuing ability of the Obligated Group to achieve and maintain certain occupancy levels of each Community and any other facilities and to keep each Community and such facilities substantially occupied by residents who can pay the full amount of the monthly rent and other fees for services as further described in **Appendix A-1** hereto. This depends to some extent on factors outside the Obligated Group's control, such as general economic conditions. For example, a depressed housing market may prevent prospective residents from selling their homes and generating cash to pay monthly rent and other fees or a downturn in securities markets could affect funds available in the savings accounts of prospective or current residents. If a Community fails to achieve and maintain a high level of occupancy, there may be insufficient funds to pay debt service on the Bonds and the Outstanding Obligations. In addition, the economic feasibility of each Community also depends on the Obligated Group's ability to remarket units becoming available when residents die, withdraw, or are permanently transferred to a health care or any other facility.

Moreover, if market changes prevent an increase in the amount of the monthly rents or other fees payable by all residents, the receipt of additional resident monthly rents and other fees would be curtailed or limited, with a consequent impairment of the Obligated Group's revenues. Such impairment would also result if the Obligated Group were unable to remarket units becoming available when residents die, withdraw, or are permanently transferred to a health care or any other facility.

Each Community has historically made regular adjustments to its monthly rental rates to offset increasing operating costs due primarily to inflation. There can be no assurance that such increases will be accepted by the marketplace or continue or that increases in expenses will not be greater than any such future rate increase. Also, since many of the residents may be living on fixed incomes, low income or incomes that do not readily change in response to changes in economic conditions, there can be no assurance that any such monthly rent increases can be paid by residents or that such increases will not adversely affect the occupancy of a Community. Residents who unexpectedly become unable to make such payments may be allowed to remain residents, even though the costs of caring for them could have an adverse effect on the financial condition of the Obligated Group. As a charitable tax-exempt organization, the Obligated Group may be unable or unwilling to require residents who lack adequate financial resources to leave a Community.

The current monthly rental rates for each Community are described in **Appendix A-1** hereto. Such fees have been set based on, among other things, anticipated revenue needs and analysis of the market areas. If actual operating experience is substantially different from that anticipated, the revenues of the Obligated Group could be less than expenses. If this should happen, the Obligated Group may be forced to alter its method of charging for senior housing services and could encounter operational difficulties.

General Risks of Senior Living Facilities

There are many diverse factors not within the Obligated Group's control that have a substantial bearing on the risks generally incident to the operation of the facilities of the Members of the Obligated Group. These factors include adverse use of adjacent or neighboring real estate, community acceptance of the facilities, changes in demand for the facilities, changes in the number of competing facilities, changes in the costs of operation of the facilities, changes in state laws affecting long term care programs or facility licensing, potential federal law changes, the limited income of senior citizens, general changes in the long term care and health care industries (including those imposed by health care reform), difficulties in or restrictions on the Obligated Group's ability to raise rates charged, access to financial capital and general economic conditions. In recent years, a number of senior living facilities throughout the U.S. have defaulted on various financing obligations or otherwise have failed to perform as originally expected. There can be no assurance the Obligated Group will not experience one or more of the adverse factors that caused other facilities to fail. Many other factors may adversely affect the operation of facilities like the Obligated Group's and cannot be determined at this time.

Forecasted Financial Information

The forecasted financial results prepared by management of the Borrower (the "**Financial Forecast**"), and contained in the Feasibility Study included in **Appendix B** to this Limited Offering Memorandum, are based upon assumptions made by management of the Borrower. The Financial Forecast were prepared by management of the Borrower based on certain assumptions made by management as described in the Feasibility Study. As stated therein, there

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usually will be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. In addition, the Financial Forecast cover only the fiscal years ending December 31, 2025 through 2029, and consequently do not cover the entire period during which the Bonds may be Outstanding. **The Feasibility Study should be read in its entirety, including management's notes and assumptions set forth therein.** See **Appendix B** to this Limited Offering Memorandum.

The Financial Forecast are "forward-looking statements" and are subject to the general qualifications and limitations described under "**CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS LIMITED OFFERING MEMORANDUM**" in the preliminary pages of this Limited Offering Memorandum. The Underwriter has not independently verified such Financial Forecast and makes no representations and gives no assurances that such Financial Forecast, or the assumptions underlying them, are complete or correct.

No assurance can be given that the results described in the Financial Forecast will be achieved, or that there will not be changes in underlying assumptions after the date of this Limited Offering Memorandum. The Borrower does not intend to update the Financial Projections and, accordingly, there are risks inherent in using the Financial Forecast in the future as they become outdated.

Because there is no assurance that the actual events will correspond with the assumptions made, no guarantee can be made that the results actually achieved in the future will correspond with the Financial Forecast. Set forth under the caption "**RISK FACTORS**" are factors that may cause the Financial Forecast to be materially different from actual results. No representation or assurances can be made that the Borrower will be able to pay the maturing principal of and interest on, the Bonds.

BECAUSE THERE IS NO ASSURANCE THAT ACTUAL EVENTS WILL CORRESPOND WITH THE ASSUMPTIONS MADE BY MANAGEMENT, NO GUARANTEE CAN BE MADE THAT THE FORECASTED FINANCIAL RESULTS WILL CORRESPOND WITH THE RESULTS ACTUALLY ACHIEVED IN THE FUTURE. ACTUAL OPERATING RESULTS MAY BE AFFECTED BY MANY UNCONTROLLABLE FACTORS, INCLUDING BUT NOT LIMITED TO INCREASED COSTS, LOWER THAN ANTICIPATED REVENUES, EMPLOYEE RELATIONS, TAXES, GOVERNMENTAL CONTROLS, CHANGES IN APPLICABLE GOVERNMENTAL REGULATION, CHANGES IN DEMOGRAPHIC TRENDS, CHANGES IN THE RETIREMENT AND ASSISTED LIVING AND HEALTH CARE INDUSTRIES, AND GENERAL ECONOMIC CONDITIONS. SEE "CAUTIONARY STATEMENTS REGARDING FORWARD LOOKING STATEMENTS IN THIS LIMITED OFFERING MEMORANDUM" UNDER THE HEADING "REGARDING USE OF THIS LIMITED OFFERING MEMORANDUM" IN THE PRELIMINARY PAGES OF THIS LIMITED OFFERING MEMORANDUM.

The COVID-19 Pandemic or Other Infectious Disease Outbreak

The occurrence of a public health emergency, including a widespread outbreak of an infectious disease, including, but not limited to, COVID-19, Ebola, Zika, or H1N1, may affect the Obligated Group's operations and revenues in various ways, including, but not limited to, (1) reputational damage, (2) a quarantine or temporary shutdown, (3) medical supply shortages, (4) professional or non-professional staff shortages or illness or (5) failure to maintain occupancy or turnover due to potential residents choosing to defer or avoid senior care. The effect of any future public health emergency or crisis on the Obligated Group's operations and finances could be material and cannot be predicted at this time.

Going forward, COVID-19 or another highly contagious disease, as well as governmental and commercial entity responses to any such public health emergency and resulting economic conditions, may adversely affect the operations and financial performance of one or more of the Communities in various ways, including, but not limited to (1) a disruption in the production or supply of pharmaceuticals, medical supplies and protective equipment and increases in the costs of such products, (2) professional or non-professional staff shortages or illnesses, (3) an increase in overhead costs due to additional costs incurred related to adjustments to the use of various facilities and to staffing during the emergency, including overtime wages, mandated sick pay, and the use of more expensive contract staff to provide care, (4) significantly delayed payments from third-party payors, (5) increased numbers of professional liability lawsuits, (6) a larger number of uninsured patients due to increased unemployment rates or (7) other material adverse impacts that are difficult to predict at this time.

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General Economic Conditions and Financial Markets

The U.S. economy is unpredictable. Economic downturns, inflation and other unfavorable economic conditions have previously impacted the health care and senior care industries and health care and senior care providers' business and financial condition. If general economic conditions worsen, the Obligated Group may not be able to achieve or sustain future profitability, and its liquidity and ability to repay outstanding debt, including debt service on the Bonds, may be adversely affected.

Broad economic factors - such as inflation, unemployment rates, instabilities in consumer demand and consumer spending or instabilities in the housing market in the area of each Community - could affect occupancy rates and the Obligated Group's ability to collect outstanding receivables. Other economic conditions that from time to time may adversely affect the Obligated Group's financial condition, and consequently, its ability to make payments on the Bonds or the Obligations, include, but are not limited to: (1) an inability to access financial markets on acceptable terms at a desired time or increased borrowing costs, (2) significant investment portfolio losses, (3) increased business failures and consumer and business bankruptcies, (4) federal and state budget challenges, (5) a reduction in the demand for health care or senior care services, (6) an increase in lawsuits and increased malpractice and casualty insurance expenses, (7) reduced availability or affordability of insurance, (8) a shortage of nursing or other professional personnel, (9) a shortage of medical supplies, (10) inflation and increased operating costs, (11) a reduction in the receipt of grants and charitable contributions, (12) unfavorable demographic developments in the Obligated Group's facilities' area or (13) increased competition from other senior living facilities or health care institutions. Future financial market disruptions cannot be predicted and there can be no assurance that future financial disruptions will not materially or adversely affect the operations and financial condition of the Obligated Group.

Like the rest of the country, the areas in which the Communities are located have recently experienced significant increases in costs of food and energy, as well as meaningful wage and salary pressures, and any increases in fees to cover these inflationary costs may be limited by competition and other factors. The inability of the Obligated Group to increase fees and charges to keep pace with inflation could adversely affect the financial condition and results of operations of the Obligated Group.

Some of the challenges caused by the disruptions in the credit markets and general economic conditions are further highlighted below. These and other risks may adversely affect members of the Obligated Group and jeopardize their ability to generate revenues and may jeopardize the Borrower's ability to make payments under the Loan Agreement and, consequently, make payments on the Bonds. There can be no assurance that the financial condition of the members of the Obligated Group and/or the utilization of their facilities will not be adversely affected by any of these circumstances.

Accounting Changes

From time to time, accounting policies and procedures change based upon mandatory authoritative guidance updates to generally accepted accounting principles in the United States of America ("**GAAP**"). The Master Indenture provides that the character or amount of any asset, liability or item of income or expense required to be determined or any consolidation, combination or other accounting computation required to be made for the purposes of the Master Indenture, shall be determined or made in accordance with GAAP in effect on the date of the Master Indenture, or at the option of the Obligated Group, at the time in effect (provided that such GAAP are applied consistently with the requirements existing either on the date of the Master Indenture or at the time in effect) except where such principles are inconsistent with the requirements of the Master Indenture.

The Mortgages and Possible Limitations

The Mortgages encumber the Communities. Each Obligated Group Member owning a Community has delivered the Mortgages on the Communities to the Master Trustee to secure its obligations pursuant to the Master Indenture. In the event that there is a default under the Master Indenture, in certain circumstances, the Master Trustee has the right to foreclose on the property mortgaged under each Mortgage.

All amounts collected upon foreclosure of the mortgaged property pursuant to a Mortgage will be used to pay certain costs and expenses incurred by, or otherwise related to, the foreclosure, the performance of the Master Trustee and/or the beneficiary under the Mortgage, and then to pay amounts owing under the Master Indenture in accordance

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with the provisions of the Master Indenture. See the form of the Master Indenture in **Appendix C-3** hereto and the forms of the Mortgages in **Appendix C-4** hereto.

In the event that a Mortgage is actually foreclosed, then, in addition to the customary costs and expenses of operating and maintaining the related Community, the party or parties succeeding to the interest of the Obligated Group in the related Mortgaged Property (including the Master Trustee, if such party were to acquire the interest of the Obligated Group in the mortgaged property) could be required to bear certain associated costs and expenses, which could include: insurance, real property taxes, the cost of complying with federal, state or other laws, ordinances and regulations related to the removal or remediation of certain hazardous or toxic substances; the cost of complying with laws, ordinances and regulations related to health and safety, and the continued use and occupancy of the Communities, such as the Americans with Disabilities Act; costs associated with the potential reconstruction or repair of the mortgaged property in the event of any casualty or condemnation.

Each Community is generally suitable only for residential use and is designed for senior adults and is not composed of general purpose buildings; therefore, each Community would not be likely suitable for industrial or other commercial use and consequently, it may be difficult to find a buyer or lessee for a Community, and, upon any default, the Master Trustee may not realize the amount of the outstanding Bonds from the sale or lease of the Communities in the event of foreclosure.

The value of each Community will at all times be dependent upon many factors beyond the control of the Obligated Group, such as changes in general and local economic conditions, changes in the supply of or demand for competing properties in the same locality, and changes in real estate and zoning laws or other regulatory restrictions. A material change in any of these factors could materially change the value of a Community. Any weakened market condition may also depress the value of a Community. Any reduction in the market value of the Communities could adversely affect the security available to the owner of each Community. There is no assurance that the amount available upon foreclosure of the Communities after the payment of foreclosure costs will be sufficient to pay the amounts owing by the Obligated Group on the Outstanding Obligations.

In the event of foreclosure, a prospective purchaser of the Mortgaged Property may assign less value to the Mortgaged Property than the value of the Mortgaged Property while owned by the Obligated Group since such purchaser may not enjoy the favorable financing rates associated with the Bonds and other benefits such as, where applicable, an exemption from the payment of ad valorem taxes on the Mortgaged Property. To the extent that buyers whose income is not tax-exempt may be willing to pay less for the Mortgaged Property than nonprofit buyers, then the resale of the Mortgaged Property after foreclosure may require more time to solicit nonprofit buyers interested in assuming the financing now applicable to the Mortgaged Property. In addition, there can be no assurance that the Mortgaged Property could be sold at 100% of its fair market value in the event of foreclosure. Although the Master Trustee will have available the remedy of foreclosure of each Mortgage in the event of a default (after giving effect to any applicable grace periods, and subject to any legal rights which may operate to delay or stay such foreclosure, such as may be applicable in the event of the Obligated Group's bankruptcy), there are substantial risks that the exercise of such a remedy will not result in recovery of sufficient funds to satisfy all the Obligated Group's obligations.

The pledge of and security interest in the Gross Revenues and the lien on the Obligated Group's interest in the Mortgaged Property and security interest in the equipment, fixtures and personal property, may be limited by the following: (i) statutory liens; (ii) rights arising in favor of the United States of America or any agency thereof; (iii) present or future prohibitions against assignment contained in any federal statutes or regulations; (iv) constructive trusts, equitable liens or other rights impressed or conferred by any state or federal court in the exercise of its equitable jurisdiction; (v) federal bankruptcy or state insolvency laws affecting assignments of revenues earned after any effective institution of bankruptcy or insolvency proceedings by or against the Borrower or any other Members of the Obligated Group; (vi) rights of third parties in any revenues, including revenues converted to cash, not in possession of the Master Trustee; and (vii) the requirement that appropriate continuation statements be filed in accordance with the Delaware Uniform Commercial Code.

Appraisal

The Obligated Group has not made any representations to owners of the Bonds regarding the current market value of the Communities. However, "as is" market value appraisals were obtained in June 2025 in connection with the planned acquisition of the Communities and the issuance of the Series 2025A Bonds (see the caption "**OBLIGATED**

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GROUP – Appraisals of Communities" in **Appendix A-1** hereto), subject to the general underlying assumptions and limiting conditions set forth in the Appraisal. Copies of the Appraisals are available upon request to the Underwriter by any prospective bondholder during the period of the offering of the Bonds. See also "**The Mortgages and Possible Limitations**" above.

Factors Affecting Taxes on Real Property; Property Tax Exemption

Currently, none of the Communities are exempt from ad valorem real property taxes. The Obligated Group intends to seek exemptions from ad valorem real property taxes in each of the states in which the Communities are located, which, in some cases, may need to be renewed on a regular basis. In recent years various state and local legislative, regulatory, and judicial bodies have reviewed the exemption of non-profit corporations from taxes on real property. Various state and local government bodies have challenged with increasing frequency and success the tax-exempt status of such institutions and have sought to remove the exemption of certain real property from the taxes of various non-profit institutions on the grounds that a portion of such property was not being used to further the charitable purposes of the institution. Several of these disputes have been determined in favor of the taxing authorities or have resulted in settlements.

Any valuation of a Community is based on future projections of income, expenses, capitalization rates, and the availability of the partial or total property tax exemption. Management's forecast contained in the Feasibility Study attached as **Appendix B** include an assumption that the Communities will receive and continue to operate with such an exemption. Failure to obtain or maintain all or a portion of the property tax exemption could have a material adverse effect on the ability of the Obligated Group to pay the operating expenses of the related Community and debt service on the Bonds.

Liquidation of Security May Not be Sufficient in the Event of a Default

The Bond Trustee and the Issuer must look solely to the Gross Revenues, the property mortgaged under each Mortgage and any funds held under the Bond Indenture and the Master Indenture to pay and satisfy the Bonds in accordance with their terms. The owners of the Bonds are dependent upon the success of the Communities and the value of the assets of the Obligated Group for the payment of the principal of, redemption price, if any and interest on, the Bonds. See also "**The Mortgages and Possible Limitations**" above.

Limited Assets of the Obligated Group

The sole business of the Obligated Group consists of the ownership and operation of the Communities. Although Members of the Obligated Group may seek donations from groups and individuals, the Obligated Group currently has no sources of funds if revenues from operation of the Communities are not sufficient to cover expenses, including debt service on the Bonds, the Obligations, and its other indebtedness.

Utilization Demand

Several factors could, if implemented, affect demand for services provided at each Community including: (i) efforts by insurers and governmental agencies to reduce utilization of senior living facilities by such means as preventive medicine and home health care programs; (ii) advances in scientific and medical technology; (iii) a decline in the population, a change in the age composition of the population or a decline in the economic conditions of the service areas for such Community; (iv) increased or more effective competition from retirement communities and senior living facilities now or hereafter located in the service area of such Community; (v) to the extent any residents use long-term care insurance to help pay for their care, an increase in long-term care insurance premiums or other disruptions in the long-term care insurance market; and (vi) general disruptions in the health care, long-term care or insurance markets resulting from health care reform efforts.

Additional Indebtedness

The Master Indenture permits the Obligated Group to incur Indebtedness which may be equally and ratably secured with the Obligations issued to secure the Borrower's obligations under the Loan Agreement. Any such additional parity indebtedness would be entitled to share ratably with the Bond Trustee, as the registered owner of the Obligations issued to secure the Borrower's obligations under the Loan Agreement, in any money realized from the exercise of remedies in the event of a default under the Master Indenture in the same priority as each of the Obligations (*i.e.*, Senior Lien and Junior Lien). The issuance of additional Indebtedness could reduce the Obligated Group's debt service coverage

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ratio, and could impair the ability of the Obligated Group to maintain its compliance with certain covenants. There is no assurance that, despite compliance with the conditions upon which Indebtedness may be incurred at the time such debt is created, the ability of the Obligated Group to make the necessary payments to repay the Obligations (including the Obligations issued to secure the Borrower's obligations under the Loan Agreement) may not be materially adversely affected upon the incurrence of additional Indebtedness.

Changes to the Obligated Group

Upon satisfaction of certain conditions in the Master Indenture, other entities can become Members of the Obligated Group and entities can cease to be Members of the Obligated Group. See the form of the Master Indenture in **Appendix C-3** hereto. Management of the Obligated Group currently has no plans to add additional Members to the Obligated Group or withdraw any Members from the Obligated Group. However, if and when new Members are added or Members cease to be a part of the Obligated Group, the Obligated Group's financial situation and operations will likely be altered from that of the current Obligated Group.

Delinquent and Defaulting Tenants

The Obligated Group only intends to rent to residents that it judges to be creditworthy. Nevertheless, over time some residents in a Community may not be able to make timely rental payments or will otherwise fail to make rental payments at all. To the extent possible, management intends to terminate rentals to such delinquent or defaulting tenants as soon as practicable after their default, subject to its charitable purposes for accommodating residents who are unable to pay all or a portion of monthly rental payments and other fees. Residents who do not voluntarily vacate will require that the Obligated Group recover possession through legal action. Legal action is costly, both in regard to legal fees and expenses and to lost revenues during the time necessary to remove the resident. The existence of delinquent or defaulting residents in the Communities could adversely affect the ability of the Obligated Group to make timely payments, if at all, under the Loan Agreement and the Obligations. Any failure by the Obligated Group to satisfy its payment obligations under the Loan Agreement and the Obligations will have an adverse impact on the ability of the Bond Trustee to pay, from the Trust Estate, debt service payments on the Bonds.

Failure to Maintain Occupancy

The successful operation of each Community depends in large part upon the ability of the owner and related Manager to attract sufficient numbers of residents to such Community and to achieve or maintain substantial occupancy at such Community throughout the term of the Bonds. The ability of the Obligated Group to achieve or maintain high levels of occupancy depends to some extent on factors outside their control, such as the residents' right to terminate their rental and use agreements. If the Communities fail to maintain a high level of occupancy, there may be insufficient funds to pay debt service on the Bonds. See also "**Sale of Homes**" below.

Competition

The Obligated Group provides services in areas where other competitive facilities exist and may face additional competition in the future as a result of the construction or renovation of competitive facilities in their primary or secondary market areas. There may also arise in the future competition from other senior living facilities, some of which may offer similar facilities, but not necessarily similar services, at lower prices.

State Licensure

Legislation may be introduced from time to time in the state legislatures relating to the operations of assisted living and memory care providers, including the Communities. No precise determination can be made at this time whether the bills that may be introduced or the regulations which may be proposed for the purpose of containing costs, providing access to care, or otherwise affecting assisted living provider revenues, or increasing competition among assisted living providers, will be enacted, or, if enacted, whether and to what degree such legislation will impact the financial condition and results of operations of the impacted Community.

Florida Communities. The Florida Communities are licensed by the Florida Agency for Health Care Administration. In connection with the acquisition of such Communities by the Obligated Group, it will be necessary for the related Member of the Obligated Group to file a Change of Ownership Application (a "**CHOW**") with the Florida

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Agency for Health Care Administration detailing the change in ownership of each Community. To ensure that the related Communities continue to operate in compliance with licensing standards until the CHOW is approved and the related licenses are reissued, the related Member of the Obligated Group will enter into an Interim Operating Lease with the seller of the Community pursuant to which the seller will lease the Community back from the purchaser and the seller will pay rent to the purchaser equal to the gross revenues less operating expenses. The term of the lease will expire once the purchaser has obtained the necessary license from the Florida Agency for Health Care Administration or such earlier time that the purchaser gives notice to the lessee that the lease has been terminated. In order to facilitate the transition of ownership, each purchaser and seller will also enter into a Transition Services Agreement detailing the ongoing obligations of the seller to assist in the transition of all operational matters at the related Community, including all billing, collection and accounting matters.

Louisiana Community. The Louisiana Community is licensed by the Louisiana Department of Health. In connection with the acquisition of the Louisiana Community by the Borrower, it will be necessary for the Borrower to file a CHOW with the Louisiana Department of Health, which the Borrower is obligated to file within five days of the change in ownership. Under the applicable regulations, the updated license for the Louisiana Community for the new ownership structure will be effective on the closing date of the sale of the Community.

Organized Resident Activity

The Obligated Group may, from time to time, be subject to pressure from organized groups of residents seeking, among other things, to raise the level of services or to maintain the level of monthly fees with respect to each Community or other charges without increase. Moreover, the Obligated Group may be subject to conflicting pressures from different groups of residents, some of whom may seek an increase in the level of services while others wish to maintain or reduce monthly fees and other charges. No assurance can be given that the Obligated Group will be able satisfactorily to meet the needs of such resident groups and that such activity would not adversely impact occupancy.

Sale of Homes

It is anticipated that many future residents of each Community will come from a personal residence. Many of these individuals may sell their current homes prior to occupancy to meet financial obligations for the applicable monthly fees. If prospective residents encounter difficulties in selling their homes due to local or national economic conditions affecting the sale of residential real estate, such prospective residents may not have sufficient funds to pay the monthly fees and any other obligations under their rental and use agreements, thereby causing a delay in marketing vacated units. Any such delay could have an adverse impact on the revenues of the Obligated Group and the ability of the Obligated Group to pay debt service requirements on the Bonds.

Reliance on Managers and the Asset Manager

The Obligated Group has no experience marketing and managing senior living communities, such as the Communities, and as a consequence, the successful on-going day-to-day management of each Community will be dependent on the efforts of the Manager of each Community and the Asset Manager. In connection with its acquisition of the Communities, the Obligated Group will continue to retain the Managers that have managed each Community for the seller so the current Manager can continue to supervise the day-to-day marketing, operation and management of the related Community. The Obligated Group will be relying on the experience and expertise of the current Managers to supervise such operation and management. In addition, the Obligated Group will rely on the expertise of the Asset Manager in connection with the management of the Portfolio.

If the Obligated Group were to terminate its relationship with a Manager or a Manager were to terminate the related Management Agreement, the Obligated Group would need to hire and train a successor management company for the related Community. No assurance can be given that each current Manager can continue to successfully manage, market, and operate the related Community, that the Obligated Group will not terminate the relationship with such Manager or any successor, that the Manager will not terminate its relationship with the Obligated Group or that another experienced successor management company could be located or would be willing to undertake the management, operation, and marketing of the related Community under the terms required by the Master Indenture. Failure to maintain each current Manager as the management company for the Communities or to hire, train and retain a successor management company may have an adverse effect on ability of the related Community to operate and could negatively impact occupancy levels

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of such Community and revenues of the Obligated Group. See the caption "**GENERAL INFORMATION REGARDING THE COMMUNITIES AND OPERATIONS – Property Managers**" in **Appendix A-1** hereto.

If the Obligated Group or the Asset Manager were to terminate the Asset Management Agreement, the Obligated Group would likely need to hire a replacement asset management company to assist with the operations of the Portfolio, including the compliance with the Obligated Group with the requirements of the Master Indenture. No assurances can be given that the Obligated Group would be able to identify and engage a qualified asset management company in a timely manner. Failure to maintain a relationship with a qualified asset management company may have an adverse effect on the ability of the Obligated Group to operate the Portfolio and comply with the terms of the Master Indenture. See the caption "**GENERAL INFORMATION REGARDING THE COMMUNITIES AND OPERATIONS –Asset Manager**" in **Appendix A-1** hereto.

Nursing and Staff Shortages

Recently, the healthcare industry has experienced a shortage of nursing and other staff, which has resulted in increased costs for healthcare providers due to the need to hire agency nursing personnel at higher rates. Both federal and certain state governments have implemented, or are considering implementing, legislative efforts to combat the health care industry's workforce shortages, including those in nursing. If the nursing and other staff shortages continues, it could adversely affect the operations or financial condition of the Obligated Group.

In addition, at times, markets for other staffing, such as housekeepers and maintenance staff, can be competitive and result in staffing scarcity or increased compensation and benefits expense. The Obligated Group competes with other health care providers and with non-health care providers for both professional and nonprofessional employees. The current Managers, the Obligated Group and the Asset Manager believe that its salary and benefits package is competitive with other comparable institutions in the respective areas in which the Obligated Group operates and that its employee relations are satisfactory. While each Manager has been able to retain the services of an adequate number of qualified personnel to staff each Community appropriately and maintain its standards of quality care, there can be no assurance that personnel shortages will not in the future affect their ability to attract and maintain an adequate staff of qualified health care personnel and could force the Managers or the Obligated Group to employ temporary staff through employment agencies. A lack of qualified personnel could result in significant increases in labor costs or otherwise adversely affect the Obligated Group's operating results.

Increases of Costs

The cost of providing health care services may increase due to many reasons, including increases in salaries paid to nurses and other health care personnel and due to shortages in such personnel that many require the use of employment agencies. Additionally, recent changes to federal wage and labor laws will likely impact the Obligated Group.

Labor Union Activity

Certain senior living facilities are being subjected to increasing union organizational efforts. None of the employees at any Community are presently subject to any collective bargaining agreements. There can be no assurance, however, that such employees will not seek to establish collective bargaining agreements with the Obligated Group, and if so established, such collective bargaining agreements could result in significantly increased labor costs to the Obligated Group and have an adverse effect on the financial condition of the Obligated Group.

Natural Disasters

Certain of the states in which the Communities are located have suffered from natural disasters over the years, including hurricanes, droughts, flooding, seepage, windstorm, ground subsidence, sinkholes, radon, gas exposures, earthquakes, wildfires and other geological changes. While the Obligated Group believes that it maintains adequate insurance to cover any loss arising from such natural disasters, there can be no assurance that in severe circumstances such insurance will be adequate to rebuild all or a portion of an impacted Community or that the Obligated Group will be able to renew or obtain coverages in the future during the life of the Bonds. Additionally, there can be no assurance that after experiences with natural disasters, residents will continue to choose to live in such areas of the country. Such decisions could have an adverse impact on the financial success of the Obligated Group.

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Cybersecurity

The Obligated Group, the Managers and the Asset Manager all rely on computer systems and technologies to conduct many of their operations. Despite security measures, policies, and training, they may be vulnerable to attacks by outside or internal hackers, or breached by employee error, negligence, or malfeasance. Any such breach or attack could compromise systems and the information stored thereon. While the Obligated Group believes that it maintains adequate insurance to cover losses arising from such incidents, any such disruption or other loss of information could result in a disruption in the efficiency of the services provided by the Obligated Group, thereby adversely affecting revenues.

Risks of Real Estate Investment

Ownership and operation of real estate, such as the Communities, involves certain risks, including the risk of adverse changes in general economic and local conditions (such as the possible future oversupply and lagging demand for rental housing for the aged), adverse use of adjacent or neighboring real estate, continued community acceptance of a Community, increased competition from other senior living facilities, changes in the cost of operation of a Community, difficulties or restrictions in the Obligated Group's ability to raise rents charged, damage caused by adverse weather, climate change and delays in repairing such damage, population decreases, uninsured losses, failure of residents to pay rent, operating deficits and mortgage foreclosure, lack of attractiveness of a Community to residents, deterioration of the physical aspects of a Community, adverse changes in neighborhood values, and adverse changes in zoning laws, federal and local rent controls, other laws and regulations and real property tax rates. The Obligated Group has not secured a physical needs report for any Community in connection with the issuance of the Bonds. Such losses also include the possibility of fire or other casualty or condemnation. If a Community, or any parts thereof, become uninhabitable, such as during restoration after damage or destruction, the residence units or common areas affected may not be available for a period of time, which could adversely affect the ability of the Obligated Group to generate sufficient revenues to make the payments required by the Loan Agreement, the Bonds and the Outstanding Obligations. Changes in general or local economic conditions and changes in interest rates and the availability of mortgage funding may render the sale or refinancing of a Community difficult or unattractive. These conditions may have an adverse effect on the demand for the services provided by a Community as well as the market price received for a Community in the event of a sale or foreclosure of such Community. Many other factors may adversely affect the operation of each Community and cannot be determined at this time.

The Nature of the Income of the Elderly

A large percentage of the monthly income of the residents of the Communities will be fixed income derived from pensions, retirement funds and social security. In addition, some residents may liquidate assets in order to pay the rent and other fees and charges for occupancy of a Community. If, due to inflation or otherwise, substantial increases in fees and other charges are required to cover increases in operating costs, nursing care costs, wages, benefits and other expenses, residents may have difficulty paying or may be unable to pay such increased fees and other charges. Furthermore, investment income of the residents may be adversely affected by declines in market interest rates and stock prices, which may also result in payment difficulties.

Malpractice Claims and Losses

The operations of the Borrower may be affected by increases in the incidence of malpractice lawsuits against senior living facilities and care providers in general and by increases in the dollar amount of resident damage recoveries. These may result in increased insurance premiums and an increased difficulty in obtaining malpractice insurance. It is not possible at this time to determine either the extent to which malpractice coverage will continue to be available to the Obligated Group or the premiums at which such coverage can be obtained.

Insurance and Legal Proceedings

The Master Indenture requires the Obligated Group to carry certain insurance, including property, public liability, and employee dishonesty insurance. Uninsured claims and increases in insurance premiums, or the unavailability of insurance, could, to the extent not covered by increased revenues, adversely affect the financial condition of the Obligated Group.

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In recent years, the number of professional and general liability suits and the dollar amounts of damage recoveries have increased nationwide, resulting in substantial increases in professional and general liability insurance premiums and, at times, in difficulty obtaining such insurance. Professional liability, elder abuse and other actions alleging wrongful conduct and seeking punitive damages often are filed against health care and senior living providers such as the Obligated Group. Insurance does not provide coverage for judgments for punitive damages and may not provide coverage for allegations of elder abuse. Litigation may also arise from the corporate and business activities of the Obligated Group. As with professional liability, many of these risks are covered by insurance, but some are not.

While the Obligated Group is required by the Master Indenture (and each Manager is required by its agreement) to have in effect at all times customary and adequate insurance to protect its property and operations, if a claim or judgment against a Member of the Obligated Group for an amount in excess of the limits of such insurance were to arise, it would likely have a material adverse effect on the financial results of the Obligated Group. In addition, the Obligated Group's insurance policies must be renewed periodically. Because the increased litigation in the retirement and nursing care business has resulted in increased insurance premiums and an increased difficulty in obtaining insurance at reasonable rates, there can be no assurance that insurance coverage will continue to be available to the Obligated Group at reasonable premiums, if at all.

Availability of Remedies

The remedies available to the Bond Trustee, the Master Trustee, and the owners of the Bonds upon an event of default under the Bond Indenture and the Master Indenture are in many respects dependent upon judicial actions that are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including, specifically, the United States Bankruptcy Code, the remedies provided in the Bond Indenture and the Master Indenture may not be readily available or may be limited. The legal opinions delivered by counsel to the Obligated Group to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principles of equity and by bankruptcy, reorganization, insolvency, or other similar laws affecting the rights of creditors' generally and laws relating to fraudulent conveyances.

Healthcare Reform Act

The feasibility of each Community may be affected by changes in the regulation of senior living communities or in the system of reimbursement for services provided at each Community. Participants in the healthcare industry are subject to significant regulatory requirements of federal, state, and local governmental agencies and independent professional organizations and accrediting bodies, technological advances and changes in treatment modes, various competitive factors, and changes in third party reimbursement programs. In addition, the operations of the healthcare industry have been subject to increasing scrutiny by federal, state, and local governmental agencies. In response to perceived abuses and actual violations of the terms of existing federal, state, and local healthcare payment programs, such agencies have increased their audit and enforcement activities, and federal and state legislation has been considered or enacted, providing for civil and criminal penalties against certain activities.

The "Patient Protection and Affordable Care Act" and "The Health Care and Education Affordability Reconciliation Act of 2010" (together referred to herein as the "**Health Reform Act**") were enacted in March 2010. Some of the provisions of the Health Reform Act took effect immediately while others took effect over a ten-year period. Because of the complexity of the Health Reform Act generally, additional legislation modifying or repealing portions of the Health Reform Act is likely to be considered and enacted over time. The Health Reform Act provides changes with respect to how consumers pay for their own and their families' health care and how employers procure health insurance for their employees. In addition, the Health Reform Act requires insurers to change certain underwriting practices and benefit structures in order to cover individuals who previously would have been ineligible for health insurance coverage. As a result, since the enactment of the Health Reform Act, there has been a significant increase in the number of individuals eligible for health insurance coverage. Associated with increased utilization will be increased variable and fixed costs of providing health care services, which may or may not be offset by increased revenues.

Some of the specific provisions of the Health Reform Act that may affect the feasibility of a Community include the following (this listing is not, is not intended to be, nor should be considered to be comprehensive):

With varying effective dates, the annual Medicare market basket updates for many providers would be reduced, and adjustments to payment for expected productivity gains would be implemented.

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With varying effective dates, the Health Reform Act mandates a reduction of waste, fraud, and abuse in public programs by allowing provider enrollment screening, enhanced oversight periods for new providers and suppliers, and enrollment moratoria in areas identified as being at elevated risk of fraud in all public programs, and by requiring Medicare and Medicaid program providers and suppliers to establish compliance programs. The legislation requires the development of a database to capture and share healthcare provider data across federal healthcare programs and also provides for increased penalties for fraud and abuse violations, and increased funding for anti-fraud activities.

The Health Reform Act provides for the implementation of various demonstration programs and pilot projects to test, evaluate, encourage and expand new payment structures and methodologies to reduce health care expenditures while maintaining or improving quality of care, including bundled payments under Medicare and Medicaid, and comparative effectiveness research programs that compare the clinical effectiveness of medical treatments and develop recommendations concerning practice guidelines and coverage determinations. Other provisions encourage the creation of new health care delivery programs, such as accountable care organizations, or combinations of provider organizations, that voluntarily meet quality thresholds to share in the cost savings they achieve for the Medicare program. The Health Reform Act also provides funding for establishment of a national electronic health records system. The outcomes of these projects and programs, including their effect on payments to providers and financial performance, cannot be predicted.

Several attempts to amend and repeal provisions of the Health Reform Act have been made since its passage. While past attempts to amend and repeal the Health Reform Act in its entirety have not been successful, the future of the Health Reform Act is uncertain. The Tax Act (defined above) repealed a key provision of the Health Reform Act, known as the "individual mandate" - a requirement that most Americans maintain a "minimum essential" health insurance coverage or pay a yearly tax penalty to the federal government. While it is not possible to predict whether the Health Reform Act will be further modified in any significant respect or wholly repealed, or the impact the individual mandate repeal, a full repeal or additional piecemeal repeal, or any health care reform replacement legislation would have on the operations of the Obligated Group.

Fraud and Abuse Enforcement

Anti-Kickback Laws. The Federal Medicare/Medicaid Anti-Fraud and Abuse Amendments to the Social Security Act (the "**Anti-Kickback Law**") make it a criminal felony offense (subject to certain exceptions) to knowingly or willfully offer, pay, solicit, or receive remuneration in order to induce business for which reimbursement may be provided under the Medicare program. The arrangements prohibited under the Anti-Kickback Law can involve hospitals, physicians, and other health care providers such as nursing homes and home health agencies. Prohibited arrangements may include joint ventures between providers, space, and equipment rentals, purchases of physician practices, physician recruiting programs and management and personal services contracts. In addition to criminal penalties, violations of the Anti-Kickback Law can lead to civil monetary penalties and exclusion from the Medicare program for not less than five years. Exclusion from the Medicare program could have a material adverse impact on the operations and financial condition of the Obligated Group.

Billing and Reimbursement Practices. Health care providers, including nursing homes, also are subject to criminal, civil and exclusionary penalties for violating billing and reimbursement standards under state and federal law. In recent years, state and federal enforcement authorities have investigated and prosecuted providers for submitting false claims to Medicare or Medicaid for services not rendered or for misrepresenting the level or necessity of services actually rendered in order to obtain a higher level of reimbursement.

Enforcement Activity. Enforcement activity against health care providers is increasing, and enforcement authorities are adopting more aggressive approaches. In the current regulatory climate, it is anticipated that many hospitals, physician groups and other health care providers will be subject to investigation, audit or inquiry regarding billing practices or false claims. The Department of Health and Human Services Office of Inspector General ("**OIG**") and the Department of Justice ("**DOJ**") have conducted several joint investigation and prosecution projects in the last two years involving a significant number of hospitals and certain other health care providers nationwide in an effort to recover alleged overpayments. In some instances, the OIG and DOJ have recovered double or treble damages, plus penalties and interest, and have imposed strict compliance measures to ensure correct billing practices in the future.

As with other health care providers, the Obligated Group may be the subject of Medicare intermediary or carrier, OIG, U.S. Attorney General, DOJ, state attorney general investigations, audits or inquiries in the future. Because of the

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complexity of these laws, the instances in which an alleged violation may arise to trigger such investigations, audits or inquiries is increasing and could result in enforcement action against the Obligated Group.

Regardless of the merits of a particular case or cases, the Obligated Group could incur significant legal and settlement costs. Prolonged and publicized investigations could be damaging to the reputation, business and credit of the Obligated Group, regardless of the outcome, and could have material adverse consequences on the financial condition of the Obligated Group.

Other Sources of Liability for Health Care Providers

Health care providers may be subject to criminal prosecution and civil penalties under a variety of federal laws in addition to those discussed in the previous paragraphs, notably the following:

Privacy and Security Regulations. The confidentiality and security of patient medical records and other health information is subject to considerable regulation by state and federal governments. The administrative simplification provisions of the Health Insurance Portability and Accountability Act ("**HIPAA**") mandated that standards and requirements be adopted for the electronic transmission of certain health information. The United States Department of Health and Human Services ("**DHHS**") has issued a series of regulations to comport with this mandate, including regulations governing the privacy and security of protected health information.

In addition, DHHS published final regulations: (a) adopting standards for specific types of electronic administrative and financial health care transactions; and for the code sets used in conjunction with those transactions; and (b) creating a unique health identifier for health care providers. Physicians and other persons exchanging patient information with the Obligated Group is required to comply with these laws and regulations.

In December 2000, DHHS issued a final rule regarding privacy standards covering health plans, health care clearinghouses, and health care providers. Most covered entities had to be in compliance with the rule by April 14, 2003. The Obligated Group is considered a covered entity. DHHS also published a final rule regarding the security of electronic health information. Most covered entities had to comply with the rule by April 20, 2005. The Obligated Group intends to operate in material compliance with HIPAA.

On February 17, 2009, the American Recovery and Reinvestment Act (the "**ARRA**") was signed into law. The ARRA contained significant changes to HIPAA including a new requirement that covered entities must make notifications in the event of a breach of privacy, security, or integrity of protected health information to individuals, DHHS, and in certain instances, depending on the number of people whose information was subject to the breach, to the media. In addition, the ARRA increased the liability of business associates of covered entities and placed additional administrative responsibilities on health care providers and other covered entities regarding the privacy and security of health information. Pursuant to the ARRA, DHHS will be required to conduct periodic HIPAA compliance audits to ensure that covered entities, including health care providers, are complying with HIPAA and the new requirements created by the ARRA. DHHS has issued a series of regulations implementing the ARRA requirements; regulations implementing the breach notification requirements were published on October 19, 2009 and apply to breaches on or after September 23, 2009. The full impact of the ARRA will not be known until all of the new requirements have been implemented, but the Obligated Group may incur significant costs in implementing the policies and systems required to comply with these requirements.

If the Obligated Group is found to have violated any state or federal statute or regulation with regard to the security, confidentiality, dissemination or use of patient medical information, the violator could be liable for damages, or civil or criminal penalties. Under HIPAA and the ARRA amendments, the penalty for failure to comply with the standards is a fine of $114 to $57,051 for each violation, with a maximum penalty of $1,711,533 imposed for all violations of an identical requirement during a calendar year. Congress also established criminal penalties for knowingly violating patient privacy. Criminal penalties include up to $50,000 and one year in prison for obtaining or disclosing protected health information; up to $100,000 and up to five years in prison for obtaining protected health information under "false pretenses"; and up to $250,000 and up to ten years in prison for obtaining or disclosing protected health information with the intent to sell, transfer or use it for commercial advantage, personal gain or malicious harm. In addition, the ARRA authorizes state attorneys general to bring civil actions seeking either an injunction or damages in response to violations of HIPAA privacy and security regulations that threaten state residents.

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These standards impose very complex procedures and operational requirements with which the Obligated Group is required to comply. There can be no assurance that differing interpretations of existing laws and regulations or the adoption of new laws and regulations would not have a material adverse effect on the ability of the Obligated Group to obtain or use health information which, in turn, could have a material adverse effect on the business of the Obligated Group. Similarly, because of the complexity of these regulations, there can be no assurances that the Obligated Group would not be reviewed, found to violate these standards, and assessed penalties for such violations.

Medicare and Medicaid Programs

The Obligated Group is subject to highly technical regulations by a number of federal, state, and local government agencies and private agencies, including those that administer the Medicaid program. The Obligated Group does not presently intend on participating in the Medicare program. Changes in the structure of the Medicaid system, as well as potential limitations on payments from governmental and other third-party payors, could potentially have an adverse effect on the results of operations of the Obligated Group. The initiation of audits and investigations concerning billing practices could also potentially have an adverse effect on the results of operations of the Obligated Group.

There is an expanding and increasingly complex body of law, regulation, and policy (both federal and state) relating to the Medicaid program, which is not directly related to payments under such programs. This includes reporting and other technical rules as well as broadly stated prohibitions regarding improper inducements for referrals, referrals by physicians for designated health services to entities with which the physicians have a prohibited financial relationship, and payment of kickbacks in connection with the purchase of goods and services (see "**Fraud and Abuse Enforcement**" above). Violations of prohibitions against false claims, improper inducements, and payments, prohibited physician referrals, and illegal kickbacks may result in civil and/or criminal sanctions and penalties. Civil penalties range from monetary fines that may be levied on a per-violation basis to temporary or permanent exclusion from the Medicaid program. A determination that any of the facilities of the Obligated Group were in violation of these laws could have a material adverse effect on finances of the Obligated Group.

Other future legislation, regulation or actions by the federal government are expected to continue the trend toward more restrictive limitations on reimbursement for long term care services. At present, no determination can be made concerning whether, or in what form, such legislation could be introduced and enacted into law. Similarly, the impact of future cost control programs and future regulations upon the financial performance of the Obligated Group cannot be determined at this time.

The residents of the Communities are all private pay residents. In the future, the Florida and Louisiana Communities could decide to admit residents receiving financial assistance for health care related fees through the applicable state-based Medicaid programs. In the event that a Community became reliant on the applicable state-based Medicaid program to cover health care related fees of residents and it subsequently lost any related licenses or authorizations, the inability to collect such revenues could have a material adverse effect on the income of the applicable Member of the Obligated Group and the ability of the Obligated Group to meets it obligations and pay debt service on the Bonds.

Receipt of payments under the Medicare and Medicaid programs can be significantly delayed over other sources of payment and, therefore, increases in the use of those programs by a Community as a source of revenue could result in a significant delays in the receipt of Gross Revenues for such Community and an increase in delinquency rates when compared to private pay residents. In addition, the recent passage of the One Big Beautiful Bill Act signed into law on July 4, 2025 by President Trump is expected to reduce the number of individuals eligible for Medicare and Medicaid benefits, as well as the level of funds provided for those and other federal healthcare programs.

No Credit Enhancement on the Bonds

The Bonds are not secured by any letter of credit, insurance policy or other credit enhancement and no person is obligated to obtain any such enhancement in the future.

No Ratings; Limited Market for the Bonds

No ratings have been requested for the Bonds. The absence of a rating adversely affects the market for obligations such as the Bonds. Additionally, the initial and subsequent purchasers of the Series 2025A Bonds must be "qualified

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institutional buyers," as defined in Rule 144A under the Securities Act of 1933, as amended (the "**Securities Act**") or "accredited investors" as defined in Regulation D promulgated under the Securities Act. (see the caption "**THE BONDS – Transfer Restrictions**" herein). This restriction on subsequent purchasers limits the number of purchasers qualified to purchase the Bonds in the secondary market. There can be no assurance that there will be a secondary market for purchase or sale of the Bonds. From time to time there may be no market for the Bonds depending upon prevailing market conditions and the financial condition and results of operations of the Obligated Group. The Bonds should therefore be considered long-term investments in which funds are committed to maturity.

Amendment of the Master Indenture, the Bond Indenture and the Loan Agreement

The Members of the Obligated Group and the Master Trustee may, without the consent of, or notice to, any of the Obligation holders, amend or supplement the Master Indenture in certain circumstances as provided in the Master Indenture. In addition, certain amendments to the Master Indenture may be made with the consent of less than all of the holder of the Obligations. Such amendments may adversely affect the security of the Bond Holders, and such percentage may be composed wholly or partially of the holders of the Obligations issued to secure the Borrower's obligations under the Loan Agreement. See the form of the Master Indenture attached as **Appendix C-3** to this Limited Offering Memorandum.

Certain amendments to the Bond Indenture and the Loan Agreement may be made without the consent of all of the Bond Holders and purchasers of the Junior Lien Bonds should understand that certain modifications to the Bond Documents can be made with the consent of the Senior Lien Bondholders. See the forms of the Bond Indenture and the Loan Agreement attached as **Appendices C-1** and **C-2**, respectively, to this Limited Offering Memorandum.

Limitations on Security Interest in Gross Revenues

The effectiveness of the security interest in the Obligated Group's Gross Revenues granted in the Master Indenture may be limited by a number of factors, including: (i) present or future prohibitions against assignment contained in any applicable statutes or regulations; (ii) certain judicial decisions which cast doubt upon the right of the Master Trustee, in the event of the bankruptcy of any Member of the Obligated Group, to collect and retain accounts receivable from Medicare, Medicaid, general assistance and other governmental programs; (iii) commingling of the proceeds of Gross Revenues with other moneys of a Member of the Obligated Group not subject to the security interest in Gross Revenues; (iv) statutory liens; (v) rights arising in favor of the United States of America or any agency thereof; (vi) constructive trusts, equitable or other rights impressed or conferred by a federal or state court in the exercise of its equitable jurisdiction; (vii) federal bankruptcy laws which may affect the enforceability of the mortgage or the security interest in the Gross Revenues of the Obligated Group as described below under the caption "**Bankruptcy**;" (viii) rights of third parties in Gross Revenues converted to cash and not in the possession of the Master Trustee; and (ix) claims that might arise if appropriate financing or continuation statements are not filed in accordance with the Uniform Commercial Code (the "**UCC**") as from time to time in effect.

In addition, cash held by the Obligated Group may not be subject to any perfectible security interest under the UCC. The security interest in any item of inventory will be inferior to the interest of a buyer in the ordinary course of business and will be inferior to a purchase money security interest, as defined in the UCC, perfected in connection with the sale to the Obligated Group of such item.

The lien on certain other pledged assets may not be enforceable against third parties unless such other pledged assets are transferred and delivered to the Master Trustee (which transfer the Obligated Group is not required by the Master Indenture to make prior to a default thereunder and which transfer may be set aside if it occurs within 90 days of the filing of a petition of bankruptcy).

Furthermore, the federal government restricts the assignment of rights arising out of Medicare, Medicaid and other federal programs. No opinion will be expressed by counsel to the Obligated Group as to the perfection of any security interest in the assignment of such rights.

The Master Indenture provides that in the event that the Obligated Group is delinquent for more than one Business Day in the payment of any Required Payment with respect to any Obligation, the Master Trustee, upon written notice of such delinquency, shall notify the Obligated Group Representative of such delinquency, and, unless such Required Payment is paid, or provision for payment is duly made, in a manner satisfactory to the Master Trustee, within

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five days after the Master Trustee's delivery of such notice to the Obligated Group Representative, the Obligated Group Representative or the Obligated Group shall cause the Depository Bank(s) to transfer the funds in the Operating Account to the Master Trustee. See "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Master Indenture** – Operating Account; Operations and Maintenance Fund" in this Limited Offering Memorandum.

Certain Matters Relating to the Enforceability of the Master Indenture

In determining whether various covenants and tests contained in the Master Indenture (including tests relating to the issuance of Indebtedness) are met, the accounts of the Members of the Obligated Group will be combined for financial reporting purposes, notwithstanding uncertainties hereinafter described as to the enforceability of certain obligations of the Obligated Group contained in the Master Indenture which bear on the availability of the revenues of the Members of the Obligated Group for payment of debt service on the Obligations, including the Obligations pledged as security for the Bonds.

The joint and several obligations described herein of the Members of the Obligated Group to make payments of debt service on Obligations issued pursuant to and under the Master Indenture (including transfers in connection with voluntary dissolution or liquidation) may not be enforceable to the extent such payments (a) are requested to be made with respect to payments on any Obligation which is issued for a purpose that is not consistent with the charitable purposes of the Member from which such payment is requested or which is issued for the benefit of an entity other than a tax-exempt organization; (b) are requested to be made from any property which is donor restricted or which is subject to a direct or express trust which does not permit the use of such property for such payment; (c) would result in the cessation or discontinuation of any material portion of the health-care or related services previously provided by a Member from which such payment is requested (other than the member by or for which such Obligation was issued); or (d) are requested to be made pursuant to any loan violating applicable usury laws. Due to the absence of any clear legal precedent in this area, the extent to which the Property of any present or future Member of the Obligated Group falls within category (a) referred to above cannot be determined and could be substantial.

No Obligated Group Member may be required to make payments on Obligations issued by or for the benefit of another Obligated Group Member to the extent any such payment would render such Obligated Group Member insolvent or would conflict with, would not be permitted by or would be subject to recovery for the benefit of other creditors of such member under applicable fraudulent conveyance, bankruptcy, insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights. There is no clear precedent in the law as to whether payments by an Obligated Group Member in order to pay debt service on Obligations issued by or for the benefit of another Obligated Group Member may be voided by a trustee in bankruptcy in the event of a bankruptcy of the member or by third party creditors in an action brought pursuant to state fraudulent conveyances statutes. Under the United States Bankruptcy Code (the "**Bankruptcy Code**"), a trustee in bankruptcy and, under state fraudulent conveyances statutes, a creditor of a related guarantor may avoid any obligation incurred by a related guarantor, if, among other bases therefor, (1) the guarantor has not received fair consideration or reasonably equivalent value in exchange for the guaranty and (2) the guaranty renders the guarantor insolvent, as defined in the Bankruptcy Code or state fraudulent conveyances statutes, or the guarantor is undercapitalized.

Application by courts of the tests of "insolvency," "reasonably equivalent value" and "fair consideration" has resulted in a conflicting body of case law. It is possible that, in an action to force an Obligated Group Member to pay debt service on Obligations issued by or for the benefit of another Obligated Group Member, a court might not enforce such a payment in the event it is determined that such Obligated Group Member is analogous to a guarantor and that fair consideration or reasonably equivalent value for such guaranty was not received and that the incurrence of such obligation has rendered or will render the Borrower insolvent or the Borrower is or will thereby become undercapitalized.

Bankruptcy

In the event of the bankruptcy of an Obligated Group Member, the rights, and remedies of the owners of the Bonds are subject to various provisions of the United States Bankruptcy Code. If an Obligated Group Member were to commence a proceeding in bankruptcy, payments made by an Obligated Group Member during the 90-day (or under certain circumstances one year) period immediately preceding such commencement may be voided as preferential transfers to the extent such payments allow the recipients thereof to receive more than they would have received in the event of the liquidation of an Obligated Group Member. Security interests and other liens granted to the Master Trustee and perfected during such preference period may also be voided as preferential transfers to the extent such security interest or other lien

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secures obligations that arose prior to the date of such perfection. Such a bankruptcy filing would operate as an automatic stay of the commencement or continuation of any judicial or other proceeding against an Obligated Group Member and their property, including the property mortgaged pursuant to a Mortgage, and as an automatic stay of any act or proceeding to enforce a lien upon or to otherwise exercise control over their property as well as various other actions to enforce, maintain or enhance the rights of the Master Trustee. If the bankruptcy court so ordered, the property of an Obligated Group Member could be used for the financial rehabilitation of an Obligated Group Member despite any security interest of the Master Trustee therein. The rights of the Master Trustee to enforce its interests and other liens could be delayed during the pendency of the rehabilitation proceeding.

A Member of the Obligated Group could file a plan for the adjustment of their debts in any such proceeding which could include provisions modifying or altering the rights of creditors generally, or any class of them, secured or unsecured. The plan, when confirmed by a court, binds all creditors who had notice or knowledge of the plan and, with certain exceptions, discharges all claims against the debtor to the extent provided for in the plan. No plan may be confirmed unless certain conditions are met, among which is that the plan is feasible and shall have been accepted by each class of claims impaired thereunder. Each class of claims has accepted the plan if at least two-thirds in dollar amount and more than one-half in number of the class cast votes in its favor. Even if the plan is not so accepted, it may be confirmed if the court finds that the plan is fair and equitable with respect to each class of non-accepting creditors impaired thereunder and does not discriminate unfairly.

In addition, if the bankruptcy court concludes that the Bond Holders have "adequate protection," it could under certain circumstances (1) substitute other security for the security provided by the Bond Documents, the Master Indenture and the Mortgages and (2) subordinate the lien and security interest of the Bond Holders to (a) claims by persons supplying goods and services to an Obligated Group Member after the bankruptcy and (b) the administrative expenses of the bankruptcy proceeding.

In the event of bankruptcy of an Obligated Group Member, there is no assurance that certain covenants, including tax covenants, contained in the Master Indenture, the Loan Agreement, the Mortgages, and certain other documents would survive. Accordingly, an Obligated Group Member, as debtor in possession, or a bankruptcy trustee could take action that would adversely affect the exclusion of interest on the Tax-Exempt Bonds from gross income of the Owners for federal income tax purposes.

If an Obligated Group Member were to file a petition for relief under the federal Bankruptcy Code, such filing would constitute an Event of Default under the Loan Agreement, permitting the Bond Trustee, under the terms set forth in the Bond Indenture, to accelerate the payment of principal and interest on the Bonds.

Environmental Matters

Health care providers are subject to a wide variety of federal, state, and local environmental and occupational health and safety laws and regulations which address, among other things, health care operations, facilities and properties owned or operated by health care providers. Among the type of regulatory requirements faced by health care providers are (a) air and water quality control requirements, (b) waste management requirements, including medical waste disposal, (c) specific regulatory requirements applicable to asbestos, polychlorinated biphenyls and radioactive substances, (d) requirements for providing notice to employees and members of the public about hazardous materials handled by or located at clinics, (e) requirements for training employees in the proper handling and management of hazardous materials and wastes and (f) other requirements.

In its role as the owner a Community, an Obligated Group Member may be subject to liability for investigating and remedying any hazardous substances that may have migrated off of its property. Typical health care operations include, but are not limited to, in various combinations, the handling, use, storage, transportation, disposal and discharge of hazardous, infectious, toxic, radioactive, flammable, and other hazardous materials, wastes, pollutants or contaminants. As such, health care operations are particularly susceptible to the practical, financial, and legal risks associated with compliance with such laws and regulations. Such risks may (a) result in damage to individuals, property, or the environment, (b) interrupt operations and increase their cost, (c) result in legal liability, damages, injunctions, or fines and (d) result in investigations, administrative proceedings, penalties or other governmental agency actions. There is no assurance that an Obligated Group Member will not encounter such risks in the future, and such risks may result in material adverse consequences to the operations or financial condition of an Obligated Group Member.

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Phase I Environmental Site Assessments have been conducted on the site of each Community in the past (see the subcaption "Phase I Report" for each Community under the caption "**THE COMMUNITIES AND OPERATIONS**" in **Appendix A-1** to this Limited Offering Memorandum for a description of such reports. No evidence of recognized environmental conditions in connection with any of the properties subject to the Mortgages was noted in any of the reports and no further action was recommended. In addition, in connection with the acquisition of the Communities, each seller has made certain environmental representations to the acquiring entity.

However, there can be no assurance that an enforcement action or actions will not be instituted under such statutes at a future date. In the event such enforcement actions are initiated, the Obligated Group could be liable for the costs of removing or otherwise treating pollutants or contaminants located at a property subject to a Mortgage. In addition, under applicable environmental statutes, in the event an enforcement action was initiated, a lien superior to the Master Trustee's lien on behalf of the Holders could attach to the Communities, which would adversely affect the Master Trustee's ability to realize value from the disposition of the related Community upon foreclosure. Furthermore, in determining whether to exercise any foreclosure rights with respect to property subject to a Mortgage, the Master Trustee would need to take into account the potential liability of any owner of such Community, including an owner by foreclosure, for clean-up costs with respect to such pollutants and contaminants.

Federal Tax Matters

Possible Changes in Obligated Group's Tax Status. The possible modification or repeal of certain existing federal income or state tax laws or other loss by one or more Members of the Obligated Group of the present advantages of certain provisions of the federal income or state tax laws could materially and adversely affect the revenues of the Obligated Group. Each of the Borrower and Alpha Lifestyle Partners Florida, Inc., a Florida not-for-profit corporation ("**ALP Florida**") has obtained a determination letter from the IRS (the other Members of the Obligated Group are treated as a disregarded entity of either the Borrower or ALP Florida) to the effect that such entity is exempt from federal income taxation under Section 501(a) of the Code by virtue of being an organization described in Section 501(c)(3) of the Code. The projected financial information included in **Appendix B** to this Limited Offering Memorandum includes an assumption that the Borrower and ALP Florida will remain recognized as an organization exempt from federal income taxation under Section 501(a) of the Code by virtue of being an organization described in Section 501(c)(3) of the Code and that each of the other Members of the Obligated Group will continue to be treated as a disregarded entity of an organization described in Section 501(c)(3) of the Code. As exempt organizations, the Borrower, ALP Florida and the other Members of the Obligated Group are subject to a number of requirements affecting their operations. The failure of a Member of the Obligated Group to remain qualified as an exempt organization would affect the funds available to the Obligated Group for payments to be made under the Loan Agreement and the Obligations. Failure of the Obligated Group or the Issuer to comply with certain requirements of the Code, or adoption of amendments to the Code to restrict the use of tax-exempt bonds for facilities such as those being financed with Bond proceeds, could cause interest on the Tax-Exempt Bonds to be included in the gross income of Holders or former Holders of Tax-Exempt Bonds for federal income tax purposes. It is not possible to predict the scope or effect of future legislative or regulatory actions with respect to taxation of charitable organizations. There can be, however, no assurance that future changes in the laws and regulations of the federal, state, or local governments will not materially and adversely affect the operations and revenues of the Obligated Group by requiring it to pay income taxes.

Intermediate Sanctions. Section 4958 of the Code provides the IRS with an "intermediate" tax enforcement tool to combat violations by tax-exempt organizations of the private inurement prohibition of the Code. Previous to the "intermediate sanctions law," the IRS could punish such violations only through revocation of an entity's tax- exempt status. Intermediate sanctions may be imposed where there is an "excess benefit transaction," defined to include a disqualified person (*i.e.*, a director, officer, or other related party) (1) engaging in a non-fair market value transaction with the tax-exempt organization; (2) receiving excessive compensation from the tax-exempt organization; or (3) receiving payment in an arrangement that violates the private inurement proscription. A disqualified person who benefits from an excess benefit transaction will be subject to a "first tier" penalty excise tax equal to 25% of the amount of the excess benefit. Organizational managers who participate in an excess benefit transaction knowing it to be improper are subject to a first-tier penalty excise tax of 10% of the amount of the excess benefit, subject to a maximum penalty of $10,000. A "second tier" penalty excise tax of 200% of the amount of the excess benefit may be imposed on the disqualified person (but not the organizational manager) if the excess benefit transaction is not corrected in a specified time period.

Other Tax Status Issues. The IRS has also issued Revenue Rulings dealing specifically with the manner in which a facility providing residential services to the elderly must operate in order to maintain its exemption under Section

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501(c)(3). Revenue Rulings 61-72 and 72-124 hold that, if otherwise qualified, a facility providing residential services to the elderly is exempt under Section 501(c)(3) if the organization (1) is dedicated to providing, and in fact provides or otherwise makes available services for, care and housing to aged individuals who otherwise would be unable to provide for themselves without hardship, (2) to the extent of its financial ability, renders services to all or a reasonable proportion of its residents at substantially below actual cost, and (3) renders services that minister to the needs of the elderly and relieve hardship or distress. Revenue Ruling 79-18 holds that a facility providing residential services to the elderly may admit only those tenants who are able to pay full rental charges, provided that those charges are set at a level that is within the financial reach of a significant segment of the facility's elderly persons, and that the organization is committed by established policy to maintaining persons as residents, even if they become unable to pay the monthly charges after being admitted to the facility.

IRS Form 990. IRS Form 990 ("**Form 990**") is used by 501(c)(3) not-for-profit organizations to submit information required by the federal government for tax-exemption. Form 990 requires detailed public disclosure of compensation practices, corporate governance, loans to management and others, joint ventures and other types of transactions, political campaign activities and other areas the IRS deems to be compliance risk areas. Form 990 also contains a separate schedule requiring detailed reporting of information relating to tax-exempt bonds, including compliance with the arbitrage rules and rules limiting private use of bond-financed facilities, including compliance with the safe harbor guidance in connection with management contracts and research contracts. Form 990 allows for enhanced transparency as to the operations of exempt organizations. It is likely to result in enhanced enforcement, as Form 990 makes available detailed information on compliance risk areas to the IRS and other stakeholders, including state attorneys general, unions, plaintiffs class action attorneys, public watchdog groups and others.

Other Legislation. In recent years, the IRS and members of Congress have expressed concern about the need for more restrictive rules governing the tax-exempt status of 501(c)(3) organizations generally and of retirement communities in particular. Legislation has been previously introduced restricting the ability of such organizations to utilize tax-exempt bonds unless they maintain a required percentage of low to moderate income residents. Although the Obligated Group has covenanted in the Loan Agreement to take all appropriate measures to maintain the tax- exempt status of each of the Members of the Obligated Group, compliance with current and future regulations and rulings of the IRS could adversely affect the ability of the Obligated Group to charge and collect revenues at the level required by the Loan Agreement and the Obligations, finance or refinance indebtedness on a tax-exempt basis or otherwise generate revenues necessary to provide for payment of the Bonds.

See the caption "**TAX MATTERS**" in this Limited Offering Memorandum for additional tax-related risks.

Secondary Market for Bonds

The Underwriter may engage in secondary market transactions with respect to the Bonds but is under no obligation to do so. There is no assurance that a secondary market for the Bonds will develop or that owners who wish to sell their Bonds will be able to do so.

Acceleration of Maturity

An event of default under the Bond Indenture may result in an acceleration of the maturity of the Bonds. In such event, a Holder whose Bonds are accelerated may not have the opportunity to hold such Bonds for a time period consistent with such Bondholder's original investment intentions.

Risk of Early Redemption

Purchasers of the Bonds, including those who purchase Bonds at a price in excess of their principal amount or who hold such Bonds trading at a price in excess of par, should consider the fact that the Bonds are subject to redemption at a redemption price equal to their principal amount plus accrued interest upon the occurrence of certain events. Under such circumstances, a purchaser of the Bonds whose bonds are called for early redemption may not have the opportunity to hold such Bonds for a time period consistent with such purchaser's original investment intentions and may lose any premium paid for the Bonds.

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Risk of Loss Upon Redemption

The rights of Beneficial Owners to receive interest on the Bonds will terminate on the date, if any, on which such Bonds are to be redeemed pursuant to a call for redemption, notice of which has been given under the terms of the Bond Indenture, and interest on such Bonds will no longer accrue on and after such date of redemption. There can be no assurance that the Obligated Group will be able or will be obligated to pay for any amounts not available under the Bond Indenture. In addition, there can be no guarantee that present provisions of the Code or the rules and regulations thereunder will not be adversely amended or modified, thereby rendering the interest earned on the Bonds taxable for federal income tax purposes. Interest earned on the principal amount of the Bonds may or may not be subject to state or local income taxes under applicable state or local tax laws. Each prospective purchaser of Beneficial ownership Interests in the Bonds should consult his or her own tax advisor regarding the taxable status of the Bonds in a particular state or local jurisdiction.

Failure to Provide Ongoing Disclosure

The Borrower has agreed for the benefit of the Holders to provide certain financial information, operating data and notice of material events. The Borrower, on behalf of itself and for the Obligated Group, as Obligated Group Representative, will enter into the Continuing Disclosure Agreement (see the caption "**CONTINUING DISCLOSURE**" in this Limited Offering Memorandum and the form thereof attached as **Appendix E** hereto) with the dissemination agent named therein, for the purpose of ensuring compliance with its continuing disclosure filing requirements. Failure to comply with the Continuing Disclosure Agreement in the future may adversely affect the liquidity of the Bonds and their market price in the secondary market.

Other Possible Risk Factors

The occurrence of any of the following events, or other unanticipated events, could adversely affect the operations of an Obligated Group Member:

(1) Reinstatement or establishment of mandatory governmental wage, rent or price controls;

(2) Delays, price increases or other problems relating to construction projects;

(3) Increased unemployment or other adverse economic conditions in the service areas of an Obligated Group Member which would increase the proportion of patients who are unable to pay fully for the cost of their care;

(4) Any increase in the quantity of indigent care provided which is mandated by law or required due to increased needs of a Community in order to maintain the charitable status of an Obligated Group Member;

(5) Inflation or other adverse economic conditions;

(6) Changes in tax, pension, social security or other laws and regulations affecting the provisions of health care and other services to the elderly; and

(7) Inability to control the diminution of patients' assets or insurance coverage with the result that the patients' charges are reimbursed from government reimbursement programs rather than private payments.

TAX MATTERS

Federal Income Taxes

The Internal Revenue Code of 1986, as amended (the "**Code**"), imposes certain requirements that must be met subsequent to the issuance and delivery of the Tax-Exempt Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Tax-Exempt Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Tax-Exempt Bonds. Pursuant to the Bond Indenture, the Loan Agreement and the Tax Regulatory Agreement for the Bonds (the "Tax Agreement"), the Issuer and the Borrower have covenanted to comply with the applicable requirements

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of the Code in order to maintain the exclusion of the interest on the Tax-Exempt Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Issuer, the Borrower, and certain other parties have made certain representations and certifications in the Bond Indenture, the Loan Agreement and the Tax Agreement. Bond Counsel will also rely on the opinion of counsel to the Obligated Group, Lewis Rice LLC, as to all matters concerning the status of the Borrower as an organization described in Section 501(c)(3) of the Code and the status of the other Members of the Obligated Group for federal income tax purposes and exempt from federal income tax under Section 501(a) of the Code. Bond Counsel will not independently verify the accuracy of those representations and certifications or that opinion.

In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the aforementioned covenant, and the accuracy of the representations and certifications described above, interest on the Tax-Exempt Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code. Interest on the Tax-Exempt Bonds will be taken into account in computing the alternative minimum tax imposed on certain corporations under the Code to the extent that such interest is included in the "adjusted financial statement income" of such corporations.

Original Issue Discount

Bond Counsel is further of the opinion that the excess of the principal amount of a maturity of the Tax-Exempt Bonds over its issue price (*i.e.*, the first price at which price a substantial amount of such maturity of the Tax-Exempt Bonds was sold to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) (each, a "**Discount Bond**" and collectively the "**Discount Bonds**") constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the Tax-Exempt Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such issue price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment. Owners of the Discount Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Discount Bonds.

Original Issue Premium

Tax-Exempt Bonds sold at prices in excess of their principal amounts are "**Premium Bonds**." An initial purchaser with an initial adjusted basis in a Premium Bond in excess of its principal amount will have amortizable bond premium which offsets the amount of tax-exempt interest and is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond based on the purchaser's yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, over the period to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation with an amortizable bond premium is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Tax-Exempt Bonds. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

Ancillary Tax Matters

Ownership of the Tax-Exempt Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits, individuals seeking to claim the earned income credit, and taxpayers (including banks, thrift institutions and other financial institutions) who may be deemed to have incurred or continued indebtedness to purchase or to carry the Tax-Exempt Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

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Interest paid on tax-exempt obligations such as the Tax-Exempt Bonds is subject to information reporting to the Internal Revenue Service (the "**IRS**") in a manner similar to interest paid on taxable obligations. In addition, interest on the Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner's taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

Bond Counsel is not rendering any opinion as to any tax matters other than those described in the opinion attached as **Appendix D** hereto. Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Tax-Exempt Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

Changes in Law and Post Issuance Events

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Tax-Exempt Bonds for federal or state income tax purposes, and thus on the value or marketability of the Tax-Exempt Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the Tax-Exempt Bonds from gross income for federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the Tax-Exempt Bonds may occur. Prospective purchasers of the Bonds should consult their own tax advisors regarding the impact of any change in law on the Tax-Exempt Bonds.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the Tax-Exempt Bonds may affect the tax status of interest on the Bonds. Bond Counsel expresses no opinion as to any federal, state or local tax law consequences with respect to the Tax-Exempt Bonds, or the interest thereon, if any action is taken with respect to the Bonds or the proceeds thereof upon the advice or approval of other counsel.

LITIGATION

The Issuer

Notwithstanding pending litigation, if any, associated with conduit bond issues which are unrelated to the Bonds, there is no litigation pending or, to the knowledge of the Issuer, threatened restraining or enjoining the issuance or delivery of the Bonds or questioning or affecting the issuance or the validity of the Bonds or the proceedings or authority under which they are to be issued or which in any manner questions the right of the Issuer to enter into the Bond Indenture, the Loan Agreement or the Bond Purchase Agreement or to secure the Bonds in the manner provided in the Bond Indenture.

The Obligated Group

No litigation, proceedings or investigations are pending or, to the knowledge of the management of the Obligated Group, threatened against any Member of the Obligated Group, or its officers or property other than litigation, proceedings or investigations being defended by or on behalf of the Obligated Group in which the probable ultimate recoveries and the estimated costs and expenses of defense, in the opinion of management of the Obligated Group and counsel of the Obligated Group responsible therefor, will be entirely within the Obligated Group's applicable insurance policy limits, or will not have a material adverse effect on the operations or condition, financial or otherwise, of the Obligated Group. No litigation, investigations or proceedings are now pending or, to the knowledge of the management of the Obligated Group, threatened against any Member of the Obligation Group which would in any manner challenge or adversely affect the corporate existence or powers of any Member of the Obligated Group to enter into and carry out the transactions described in or contemplated by, or the execution, delivery, validity or performance by the Borrower of the Loan Agreement or the Bond Purchase Agreement or the execution, delivery, validity or performance any Member of the Obligated Group of the Master Indenture, the Obligations or any Mortgage.

CONTINUING DISCLOSURE

The Borrower and Digital Assurance Certification, L.L.C., as dissemination agent, will enter into and deliver a Continuing Disclosure Agreement (the "**Continuing Disclosure Agreement**") pursuant to Securities and Exchange

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Commission Rule 15c2-12 (17 CFR Part 240, § 240.15c2-12) (as amended, the "**Rule**"), with respect to the Bonds. The Continuing Disclosure Agreement is made for the benefit of the Registered Owners and Beneficial Owners of the Bonds and in order to assist the Underwriter in complying with its obligations pursuant to the Rule. The registered owners' and the Bond Trustee's rights to enforce the provisions of the Continuing Disclosure Agreement is limited solely to a right, by action in mandamus or for specific performance, to compel the Borrower to perform under the Continuing Disclosure Agreement. See the form of the Continuing Disclosure Agreement attached as **Appendix E** to this Limited Offering Memorandum. Failure by the Borrower to comply with the provisions of the Continuing Disclosure Agreement is not an Event of Default under the Master Indenture, the Bond Indenture or the Loan Agreement. Nevertheless, such failure could adversely affect the liquidity and market price of the Bonds. See the caption "**RISK FACTORS - Failure to Provide Ongoing Disclosure**" in this Limited Offering Memorandum.

The Borrower has not previously entered into an undertaking required by the Rule. As such, the Borrower has not failed to comply in all material respects with any previous undertaking required by the Rule.

The Issuer has not, and will not, undertake any responsibilities to provide continuing disclosure with respect to the Series 2025A Bonds and will have no liability to Bondholders with respect to any such disclosures.

FEASIBILITY STUDY

In connection with the planned issuance of the Series 2025A Bonds and the acquisition of the Communities, the Feasibility Study was prepared for the Obligated Group by Forvis Mazars, LLP. The conclusions of the Feasibility Study were based on certain assumptions by management, as outlined therein.

A copy of the Feasibility Study is included as Appendix B to this Limited Offering Memorandum. Prospective investors should review the Feasibility Study in its entirety for a full understanding of the assumptions and rationale underlying the forecasts and conclusions contained therein prior to the purchasing the Series 2025A Bonds.

COMBINED FINANCIAL STATEMENTS

In connection with the planned issuance of the Series 2025A Bonds and the acquisition of the Communities, the Borrower prepared the combined balance sheet as of December 31, 2024 and the related combined statements of operations, changes in members' equity and cash flows for the year then ended and engaged Crowe LLP to perform a compilation engagement with respect to such statements. The combined financial statements and the report of Crowe LLP with respect thereto are attached as **Appendix A-2** to this Limited Offering Memorandum.

UNDERWRITING

The Series 2025A Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the "**Underwriter**" or "**Stifel**"). The Underwriter has agreed to purchase the Series 2025A Bonds at a price of $_____ (being the principal amount of such bonds, plus/less aggregate original issue premium/discount of $_____, less an Underwriter's discount of $_____. The Bond Purchase Agreement (the "**Bond Purchase Agreement**") pursuant to which the Series 2025A Bonds are being purchased by the Underwriter provides that the Underwriter will purchase all of such bonds if any are purchased. The obligation of the Underwriter to make such purchase is subject to certain terms and conditions set forth in the Bond Purchase Agreement. The Underwriter may offer and sell the Series 2025A Bonds to certain dealers, institutional investors, banks, and others at prices different from the prices stated on the pages following the cover page of this Limited Offering Memorandum. The offering prices may be changed from time to time by the Underwriter. The Underwriter is not obligated to create a secondary market for the purchase or sale of the Series 2025A Bonds and there may, in fact, be no market for the Series 2025A Bonds depending upon prevailing market conditions, the financial condition or market position of firms who make up the secondary market and the financial position and results of operations of the Obligated Group.

Stifel and its affiliates comprise a full service financial institution engaged in activities which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Stifel and its affiliates may have provided, and may in the future provide, a variety of these services to the Issuer and/or the Obligated

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Group and to persons and entities with relationships with the Issuer and/or the Obligated Group, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, Stifel and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer and/or the Obligated Group (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer and/or the Obligated Group.

Stifel and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer and/or the Obligated Group.

CONCERNING THE BOND TRUSTEE AND MASTER TRUSTEE

The Bond Trustee and the Master Trustee is UMB Bank, N.A., a national banking association organized under the laws of the United States of America and has all of the powers of a bank, including fiduciary powers, and is a member of the Federal Deposit Insurance Corporation and the Federal Reserve System. The Bond Trustee, in its capacity as bond trustee, is only responsible to carry out those specific duties assigned to it under the Bond Indenture. The Master Trustee, in its capacity as master trustee, is only responsible to carry out those specific duties assigned to it under the Master Indenture. The Bond Trustee and the Master Trustee has not reviewed or participated in the preparation of this Limited Offering Memorandum and assumes no responsibility for the nature, contents, accuracy, fairness or completeness of the information set forth in this Limited Offering Memorandum or for the recitals contained in the Bond Indenture, the Loan Agreement, the Bonds, the Master Indenture or the Obligations, or for the validity, sufficiency, or legal effect of any of such documents.

Furthermore, neither the Bond Trustee nor the Master Trustee has any oversight responsibility, and is not accountable, for the use or application by the Issuer of any of the Bonds authenticated or delivered pursuant to the Bond Indenture or the use or application by any person of any of the Obligations authenticated or delivered pursuant to the Master Indenture. Neither the Bond Trustee nor the Master Trustee has evaluated the risks, benefits, or propriety of any investment in the Bonds and makes no representation, and has reached no conclusions, regarding the value or condition of any assets or revenues pledged or assigned as security for the Bonds, or the investment quality of the Bonds, about all of which the Bond Trustee and the Master Trustee expresses no opinion and expressly disclaims the expertise to evaluate.

LEGAL MATTERS

Certain legal matters incident to the authorization and issuance of the Bonds and the tax-exempt status of the Tax-Exempt Bonds are subject to the approving opinion of Nixon Peabody LLP ("**Bond Counsel**"). The proposed form of Bond Counsel opinion is attached as **Appendix D** to this Limited Offering Memorandum. The opinion will speak only as of its date, and subsequent distribution of such opinion by recirculation of this Limited Offering memorandum or otherwise will create no implication that Bond Counsel has reviewed or express any opinion concerning any of the matters reference in the opinion subsequent to its date.

Certain legal matters will be passed upon for the Issuer by Bryant Miller Olive P.C., Tampa, Florida; for the Underwriter by Pierson Ferdinand LLP; and for Obligated Group by its special counsel, Lewis Rice LLC, St. Louis, Missouri, by its Florida and Texas special counsel, Holland & Knight LLP, and by its Louisiana special counsel, Chaffe McCall LLP.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to such transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

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CONTINGENT FEES

Bond Counsel, counsel to the Underwriter (Pierson Ferdinand LLP), counsel to the Issuer (Bryan Miller Olive, P.A.), the Bond Trustee and the Master Trustee, along with counsel to the Bond Trustee and the Master Trustee, have been retained with respect to the authorization, sale, execution and delivery of the Bonds. Payment of all or a portion of the fees and expenses to such professionals and an underwriting discount to the Underwriter, are each contingent upon the sale and delivery of the Bonds.

CERTAIN RELATIONSHIPS

In connection with the issuance of the Bonds, the attorneys or law firms identified under the caption "**LEGAL MATTERS**" in this Limited Offering Memorandum are acting as Bond Counsel and counsel to the Issuer, the Obligated Group and the Underwriter, respectively. In other transactions not related to the Bonds, each of these attorneys or law firms may have acted, or be acting, as bond counsel and/or may have represented, or be representing, the Underwriter, the Issuer, the Obligated Group or their affiliates in capacities different from those described under the caption "**LEGAL MATTERS**" in this Limited Offering Memorandum.

The Obligated Group is acquiring the Communities from entities affiliated with Trinity, as further described herein, and an affiliate of Trinity will serve as the Asset Manager. In addition, certain directors and officers of the Borrower are also affiliated with Trinity. The sellers of the Communities will also receive Series 2025B Bonds as part of the payment of the purchase price of the Communities. See the caption "**THE BORROWER, THE OBLIGATED GROUP AND THE PORTFOLIO ACQUISITION**" in this Limited Offering Memorandum and **Appendix A-1** to this Limited Offering Memorandum for additional information on such relationships.

NO RATING

THE BONDS ARE NOT RATED; NONE OF THE ISSUER, THE BORROWER OR THE OBLIGATED GROUP HAS APPLIED TO ANY RATING SERVICE FOR A RATING OF THE BONDS.

MISCELLANEOUS

The Obligated Group has furnished the information in this Limited Offering Memorandum relating to itself, the Communities, including the acquisition thereof, and the projected financial information contained in **Appendix B**, and has reviewed the information related to the plan of financing and related documents and information. The Issuer has furnished only the information in this Limited Offering Memorandum under the captions "**THE ISSUER**," "**DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS**" and "**LITIGATION – The Issuer**." The Underwriter has furnished the information in this Limited Offering Memorandum with respect to the offering prices of the Bonds and the information under the caption "**UNDERWRITING**" in this Limited Offering Memorandum.

ANY STATEMENTS MADE IN THIS LIMITED OFFERING MEMORANDUM INVOLVING MATTERS OF OPINION OR OF ESTIMATES, WHETHER OR NOT SO EXPRESSLY STATED, ARE SET FORTH AS SUCH AND NOT AS REPRESENTATIONS OF FACT, AND NO REPRESENTATION IS MADE THAT ANY OF THE ESTIMATES WILL BE REALIZED.

The information contained above is neither guaranteed as to accuracy or completeness nor to be construed as a representation by the Issuer, the Bond Trustee, the Master Trustee or the Underwriter. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Limited Offering Memorandum nor any sale made hereunder is to create, under any circumstances, any implication that there has been no change in the affairs of the Obligated Group or the Issuer from the date hereof.

The Limited Offering Memorandum is submitted in connection with the sale of the Series 2025A Bonds only and may not be reproduced or used, as a whole or in part, for any other purpose.

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The distribution and use of this Limited Offering Memorandum have been acknowledged by the Issuer and approved by the Borrower, for itself and on behalf of the Obligated Group. This Limited Offering Memorandum is not to be construed as an agreement or contract between the Issuer or the Borrower and any purchaser, owner, or holder of any Bond.

ALPHA LIFESTYLE PARTNERS, INC., a Delaware nonstock corporation

By:_____

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APPENDIX A-1

INFORMATION CONCERNING ALPHA LIFESTYLE PARTNERS, INC., THE OBLIGATED GROUP AND THE COMMUNITIES

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APPENDIX A-1

INFORMATION CONCERNING
ALPHA LIFESTYLE PARTNERS, INC.,
THE OBLIGATED GROUP AND THE COMMUNITIES

The information contained as Appendix A-1 to this Limited Offering Memorandum has been provided by Alpha Lifestyle Partners, Inc. ("ALP") and other sources identified herein and deemed by ALP and the other Members of the Obligated Group to be reliable.

INTRODUCTION

General. Alpha Lifestyle Partners, Inc. ("**ALP**, "**Alpha**" or the "**Borrower**") is a Delaware nonstock corporation formed on March 6, 2024 for the charitable purpose of facilitating and providing housing to senior citizens in independent living, assisted living and memory care arrangements. ALP is an organization described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "**Code**"), exempt from federal income tax under Section 501(a) of the Code (except from unrelated business income tax imposed pursuant to Section 511 of the Code). ALP is not a "private foundation" as defined in Section 509(a) of the Code.

Strategic Mission and Initiatives. ALP has adopted the following as its mission statement –

> "Alpha Lifestyle Partners is a nationwide, nonprofit organization dedicated to supporting meaningful charitable missions through public-private partnerships. Our core mission is to enhance the quality of life for seniors by providing access to high-quality housing solutions that support their well-being throughout the aging process."

In pursuing this mission, ALP plans to focus on the following strategic initiatives:

- ***Financial Assistance***
  - Committed to maintaining residency for individuals who may encounter financial hardship
  - Allocate up to 25% of annual donations to subsidize housing costs, ensuring its residents can remain in their homes even if they face unexpected financial challenges

- ***Community Enhancements***
  - Dedicated to continuously improving the amenities and spaces for our residents
  - Donation-supported projects will be driven by requests from community staff and residents, enabling targeted improvements that directly impact their quality of life
  - Examples include the addition of transportation options for off-site activities, upgraded furniture, and enhanced activity resources

- ***Industry Innovation***
  - Recognizing the importance of technology and AI in senior housing, ALP will invest in organizations driving innovation in this space
  - Prioritize initiatives like fall detection and response technology, which provide practical benefits to our residents and contribute to a safer, more supportive living environment

Initial Acquisitions. On the closing date for the Bonds, ALP will cause the Obligated Group (as defined herein) to be formed, that will consist of each of the entities described below (see the caption "**OBLIGATED GROUP**" in this **Appendix A-1**).

ALP has conducted no operations to date and has no significant assets. In connection with the issuance of the Bonds, the Obligated Group is purchasing and will own and oversee the operations of three existing senior living facilities (each, a "**Community**" and, collectively, the "**Communities**" or the "**Portfolio**") located in Florida and Louisiana, consisting of an aggregate of 190 rental units/beds (see the caption "**OBLIGATED GROUP – Acquisition of the Communities**" in this **Appendix A-1**).

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Growth Strategy. ALP is targeting controlled growth to 1,000 units under nonprofit ownership over a 5-year horizon through selective acquisitions of stabilized assisted living and memory care communities. As part of its ongoing planning process, ALP has already identified seven additional communities within the Trinity portfolio as strong candidates for Alpha, representing a compelling starting point for scaled expansion. As it grows, ALP plans to position the organization as a mission-aligned, long-term owner, focused on operational excellence, resident well-being, and financial sustainability with the ability to impact over 1,000 lives served in demographically strong, need-driven markets while preserving high-quality care for residents through the non-profit structure. In addition, through this growth process ALP intends to increase self-sufficiency through vertically integrating property management services and achieving meaningful portfolio economies of scale. ALP's long term goal is to own a high quality, efficiently operated, diversified portfolio that merits an investment grade credit rating on its debt.

Purpose of Appendix A-1 and Other Selected Information in the Limited Offering Memorandum. This **Appendix A-1** is intended to provide information about the Obligated Group and the Communities that is not presented elsewhere in this Limited Offering Memorandum. Certain historical net operating income statements and certain related financial metrics for each Community and the Portfolio are included in this **Appendix A-1**. In addition, combined financial statements for the Borrower as of December 31, 2024 and for the year then ended are included in **Appendix A-2** to this Limited Offering Memorandum. **Appendix B** to this Limited Offering Memorandum includes the Feasibility Study covering the remainder of the fiscal year ending December 31, 2025 and each of the four years ending December 31, 2026 through 2029 as prepared by Forvis Mazars, LLP, as set forth therein. **The materials in this Appendix A-1 and the rest of the Limited Offering Memorandum (including the appendices thereto) should be read in their entirety.**

Capitalized terms used and not otherwise defined in this **Appendix A-1** have the meanings assigned to such terms in the forepart of this Limited Offering Memorandum and in the forms of the Bond Indenture and the Master Indenture attached as **Appendices C-1** and **C-3**, respectively, to this Limited Offering Memorandum.

OBLIGATED GROUP

Overview

ALP serves as the Obligated Group Representative under the terms of the Master Indenture. Following the completion of the acquisitions described below under the caption "**Acquisition of the Communities**," the following entities will be members of the Obligated Group created under the Master Indenture (each is a "**Member of the Obligated Group**" and, collectively, with ALP, the "**Obligated Group**"):

- Alpha Lifestyle Partners, Inc. ("**ALP**" or the "**Borrower**")
- Alpha Lifestyle Partners Florida, Inc. ("**ALP Florida**")
- ALP Naples, LLC ("**ALP Naples**")
- ALP Venice, LLC ("**ALP Venice**")
- ALP Covington, LLC ("**ALP Covington**")

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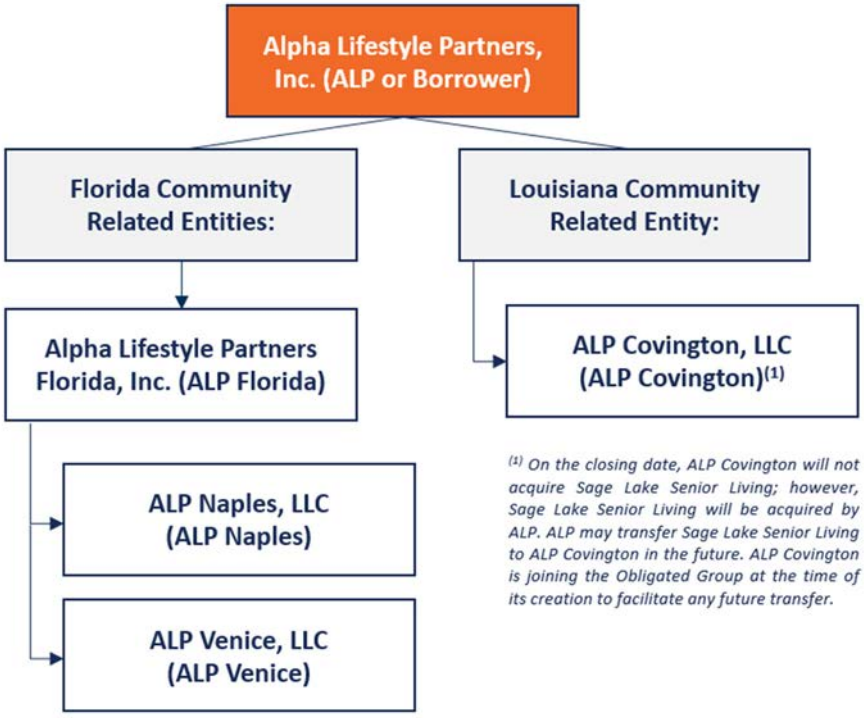
The following chart depicts the organizational structure of ALP and the other Members of the Obligated Group (with the other Members of the Obligated Group grouped together under the state in which the entity will operate) that will be in place on the closing date of the Bonds:



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Acquisition of the Communities

The Communities, including all related real and personal property, will be acquired by the Obligated Group on the date of issuance of the Bonds (the "**Closing Date**") with a portion of the proceeds of the Series 2025A Bonds (see "**THE BORROWER, THE OBLIGATED GROUP AND THE PORTFOLIO ACQUISITION – The Portfolio Acquisition**" and "**PLAN OF FINANCE**" in the forepart of this Limited Offering Memorandum). Each of the Communities will be acquired by the Obligated Group through the acquisition of the assets related to such Community (the "**Acquisitions**").

The following chart identifies each Community and the Member of the Obligated Group that will be the owner of each Community after the closing of the acquisition transactions:

Community and Location	Post-Acquisition Owner
The Fairways at Naples Memory Care, 3053 Airport-Pulling Road N, Naples, Florida 34105 ("**Fairways at Naples**")	ALP Naples
Liana of Venice Memory Care, 2321 E Venice Avenue, Venice, Florida 34292 ("**Liana of Venice**")	ALP Venice
Sage Lake Senior Living of Covington, 1444 Andrew Drive, Covington, Louisiana 70433 ("**Sage Lake Senior Living**")	ALP[(1)]

(1) ALP will be the initial purchaser of Sage Lake Senior Living on the Closing Date. Management of the Obligated Group may transfer ownership of the Sage Lake Senior Living property to ALP Covington in the future. In order to facilitate any subsequent transfer of the Sage Lake Senior Living Property to ALP Covington, ALP Covington will be an initial Member of the Obligated Group on the Closing Date even though it will not own any assets.

Each of the Communities will be subject to a mortgage as further described in the forepart of this Limited Offering Memorandum under the caption "**SECURITIES AND SOURCES OF PAYMENT FOR THE BONDS – Mortgages**." See the caption "**THE COMMUNITIES AND OPERATIONS**" in this **Appendix A-1** for detailed information about each Community and its operations.

The Obligated Group has agreed to pay an aggregate purchase price of $55,400,000* for the Communities under the related purchase agreements for the Communities (the "**Purchase Agreements**"). A portion of the purchase price will be paid in cash from the proceeds of the Series 2025A Bonds and a portion will be paid through the issuance of the Series 2025B Bonds to the sellers. The following chart describes the purchase price for each Community, including the portion being paid in cash and the portion being paid through the issuance of the Series 2025B Bonds, and each purchase price component (cash, Series 2025B Bonds and total) based on the per unit of available occupancy in each Community and the Portfolio (see the caption "**HISTORICAL OCCUPANCY INFORMATION FOR THE COMMUNITIES – Summary Portfolio Occupancy Information**" in this **Appendix A-1** for the total unit/bed capacity of each Community):

	Purchase Price Allocation*			Purchase Price Per Unit of Capacity[1]		
Community	**Cash**	**Series 2025B**	**Total**	**Cash**	**Series 2025B**	**Total**
Fairways at Naples	$ 15,200,000	$ 1,500,000	$ 16,700,000	$ 281,481	$ 27,778	$ 309,259
Liana of Venice	13,300,000	2,800,000	16,100,000	246,296	51,852	298,148
Sage Lake Senior Living	22,600,000		22,600,000	275,610	-	275,610
Total	**$ 51,100,000**	**$ 4,300,000**	**$ 55,400,000**	**$ 268,947**	**$ 22,632**	**$ 291,579**

* Preliminary; subject to change. The cash component for each Community is set forth in each applicable Purchase Agreement and the sellers have agreed to allocate the Series 2025B Bonds within the maximum aggregate sales price of $55,400,000 on a substantially proportionate basis across the Portfolio.

1 Purchase Price Per Unit of Capacity is calculated by dividing the applicable purchase price by the total unit/bed capacity in the related Community or the Portfolio (see the caption "**HISTORICAL OCCUPANCY INFORMATION FOR THE COMMUNITIES – Summary Portfolio Occupancy Information**" in this **Appendix A-1** for the total unit/bed capacity of each Community and the Portfolio).

In connection with the planned issuance of the Series 2025A Bonds and the acquisition of the Communities, the Borrower conducted due diligence with respect to each Community, including arranging for (1) the preparation of appraisals with respect to each Community (see "**Appraisals of Communities**" below and **Appendices A-3**, **A-4** and **A-**

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5 hereto), (2) the preparation of a combined balance sheet as of December 31, 2024 and the related combined statements of operations, changes in members' equity and cash flows for the year then ended and engaged Crowe LLP to perform a compilation engagement with respect to such statements (see **Appendix A-2** hereto), and (3) the preparation of a financial feasibility study by Forvis Mazars, LLP (see **Appendix B** hereto).

Pursuant to the Purchase Agreements, each of the current owners of the related Communities agrees to transfer and assign certain inventory, tangible and intangible personal property, permits, residency agreements, and operating contracts and leases, to each purchaser simultaneously with the acquisition of the Communities. The Purchase Agreements also provide, among other things, for the allocation of responsibility for accounts payable, accounts receivable, proration of real estate and property taxes, billing and collection of rents and fees in the month in which the acquisition occurs, for post-closing reconciliation of the Communities' rents, fees, costs and expenses, and for indemnification of the purchasers from the sellers for liabilities arising prior to the Closing Date. The purchasers are also required to prepare and deliver a proposed initial statement of prorations regarding expenses, cost, charges, service fees and rents as of the Closing Date.

The Property Managers (as defined below) currently managing each Community will continue to manage the Communities following the issuance of the Bonds and the closing of the acquisition transactions. Each Property Manager will agree to retain substantially all of its current employees working at the Communities as of the Closing Date. See the caption "**GENERAL INFORMATION REGARDING THE COMMUNITIES AND OPERATIONS – Property Managers**" below.

Trinity Investors, LLC ("**Trinity Investors**" or "**Trinity**") invested in the development of each of the Communities (see the captions "**THE BORROWER, THE OBLIGATED GROUP AND THE PORTFOLIO ACQUISITION – Trinity Investors**" in the forepart of this Limited Offering Memorandum).

The Series 2025B Bonds described in the forepart of this Limited Offering Memorandum, which will be secured by a Junior Lien Obligation issued under the Master Indenture and payable on a subordinate basis to the Series 2025A Bonds, will initially be held by sellers under the applicable Purchase Agreements. The Series 2025B Bonds are not being offered pursuant to the terms of this Limited Offering Memorandum.

Appraisals of Communities

One of the factors used in setting the acquisition price for each Community was the value assigned to each Community by appraisals initially prepared in March 2024 and updated in June 2025, for the Underwriter by Newmark Valuation & Advisory. The appraisals established "as is" valuations, "tax-exempt" valuations using the "as is" valuations but taking into account exemptions from real and personal property taxes if the Community was owned by a tax-exempt entity. The following chart summarizes the stand alone appraised value for each Community assuming that the property remains subject to ad valorem property taxes and the stand alone appraised value of each Community assuming that the property becomes exempt from the payment of ad valorem property taxes.

	Appraisal Summary		
Community	**Beds/Units of Occupancy Available**	**Stand Alone Asset Value (Taxable)**	**Stand Alone Asset Value (Tax-Exempt)**
Fairways at Naples	54	$ 15,700,000	$ 17,000,000
Liana of Venice	54	15,100,000	16,300,000
Sage Lake Senior Living	82	24,600,000	27,400,000
Total	**190**	**$ 55,400,000**	**$ 60,700,000**

Note: Copies of the June 2025 appraisals are attached to this Limited Offering Memorandum as **Appendix A-3** (Fairways at Naples), **Appendix A-4** (Liana of Venice) and **Appendix A-5** (Sage Lake Senior Living).

In connection with the establishment of appraised values, each appraisal identified other senior living communities in the region of the related Community and the appraisals provide limited information with respect to each such senior living community.

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GOVERNANCE AND MANAGEMENT OF THE OBLIGATED GROUP

ALP Board of Directors

ALP is a nonstock, nonprofit corporation and the management of its affairs is governed by a Board of Directors of not less than three members (the "**ALP Board**"), with the total number determined from time to time by action of the ALP Board. Directors serve terms of three years, with no director permitted to serve more than three consecutive full three year terms. The directors are divided into three classes of approximately the same size for purposes of staggering the terms of directors.

The current ALP Board members, each of which are in their first term, their respective occupations and the expiration of their current terms are presented in the following table:

Name & Title	Occupation	Term Expires
Dan Meader, CFA, CPA, Director	Managing Partner, Trinity Investors	2027
Liz Goldreich, Director	Founder and Creative Consultant, The Lizard Group	2026
Sandeep Srivastava, Director	Senior Strategic Partner, Trinity Investors	2025
Alan Meder, CDA, CPA, Director	Retired, Former Chief Risk Officer for Duff & Phelps Investment Management Company	2028

Each of the initial board members has varying levels of conflicts of interest in terms of involvement with or relations to Trinity Investors and the Asset Manager (as defined below); however, each member of the ALP Board has agreed to comply with ALP's Conflicts of Interest policy requirements as set forth in ALP's by-laws.

ALP is currently recruiting an independent fifth board member with significant senior living industry experience. ALP intends to focus on identifying independent candidates with significant senior living experience in selecting replacement board members going forward as the terms expire for the four initial board members (or prior to a term expiration if a more suitable replacement that satisfies the two previously mentioned qualities can be identified).

Management

Biographical information for key executives, including Board members is presented below:

Cassidy Dines, President and Treasurer. Cassidy Dines has been the President and Treasurer of ALP since its formation. Ms. Dines originally joined the investments team at Trinity Investors in 2020. Her responsibilities include deal sourcing, deal execution, financial modeling, due diligence, portfolio company oversight, and investor relations. She has specifically been involved in supporting and expanding Trinity's senior living portfolio and works closely with Trinity's senior living portfolio manager and asset manager to monitor property performance, analyze capital event scenarios, and to communicate frequent updates to investors regarding asset performance.

Ms. Dines graduated from Southern Methodist University, cum laude, with a BBA in Real Estate Finance and a minor in Corporate Communications and Public Affairs.

Dan Meader, Director. Dan Meader is the founding partner of Trinity Investors (formerly Trinity Private Equity Group), which was started in 1999. He leads the investment committee and leadership team for Trinity and is also the lead partner on several Trinity investments.

Prior to founding Trinity, Mr. Meader served as an executive vice president for Tara Capital Partners, LP, a hedge fund focused on investing and trading in public securities. He also spent nine years participating in private equity investments at Sowell & Co. in Dallas, Texas. Mr. Meader began his career as a corporate banker at InterFirst Bank of Dallas (now Bank of America); and then worked for ABQ Capital Markets, managing a portfolio of high-yield bonds.

Mr. Meader is a CFA charterholder and was elected to the CFA Institute Board of Governors in 2006, serving two consecutive terms over seven years. While on the board, he was also elected to serve as the chairman of the CFA Institute. In addition, he chaired several board committees, including the nominations committee, compensation

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committee, external relations and volunteer involvement committee, and the Presidents Council at CFA Institute. Mr. Meader currently serves as a board member for several Trinity portfolio companies.

A graduate of Southern Methodist University, cum laude, Mr. Meader received his CFA charter in 1991 and is also a certified public accountant (CPA).

Sandeep Srivastava, Director. Sandeep Srivastava has been a Senior Strategic Partner and Advisor with Trinity Investors since 2011. Previously, Mr. Srivastava was the Managing Partner at Tenex Capital Management, based in Seattle. Prior to that, he co-founded ValuCom in Chicago (sold to Nasdaq: REDF in 2002). His corporate career has included senior management roles at AT&T, General Mills, DuPont, CCMWA, and Booz & Company.

Mr. Srivastava started his business career as a brand manager at General Mills after completing an MBA in finance and marketing from The Wharton School at the University of Pennsylvania. At Wharton, he was a recipient of both the Boston Consulting Group Challenge Prize and the Fishman Davidson Fellowship. He was also a Ford Fellow. Mr. Srivastava has a BS in Chemical Engineering from Indian Institute of Technology (IIT), Bombay, a Master of Science degree in Engineering from Clemson University, and is also a graduate of Stanford University's Executive Program (SEP'06).

Liz Goldreich, Director. Liz Goldreich has worked in the marketing profession since 1990. She began her career at The Upjohn Company as a pharmaceutical sales specialist. She then moved into the telecommunications sector, serving as sales manager for the Fort Worth branch of MCI. She later moved into corporate marketing at MCI as a product manager for a data platform with annual revenues over $2 billion. After working in the corporate world for over a decade, Ms. Goldreich changed focus to her own marketing and creative services firm. She is the Founder and Creative Consultant for The Lizard Group.

Alan Meder, CFA, CPA, Director. Mr. Meder recently retired from his prior position as the Chief Risk Officer for Duff & Phelps Investment Management Company. Mr. Meder joined Duff & Phelps in 1985 and led risk management and quantitative research for the firm's equity and fixed income strategies. He also served as Treasurer and Assistant Secretary of the Duff & Phelps-advised closed-ends fund: DNP Select Income Fund Inc., Duff & Phelps Utility & Infrastructure Fund Inc., and DTF Tax-Free Income 2028 Term Fund Inc. Prior to joining Duff & Phelps, he was an auditor with National City Corp. He holds a BBA from Cleveland State University and an MBA from Baldwin-Wallace College. Mr. Meder is a recipient of the CFA Institute's 2017 Distinguished Service Award and The Hortense Friedman, CFA Award for Excellence 2019 from the CFA Society of Chicago. He also served as the Chair of the CFA Institute Board of Governors for a three-year term beginning in 2012.

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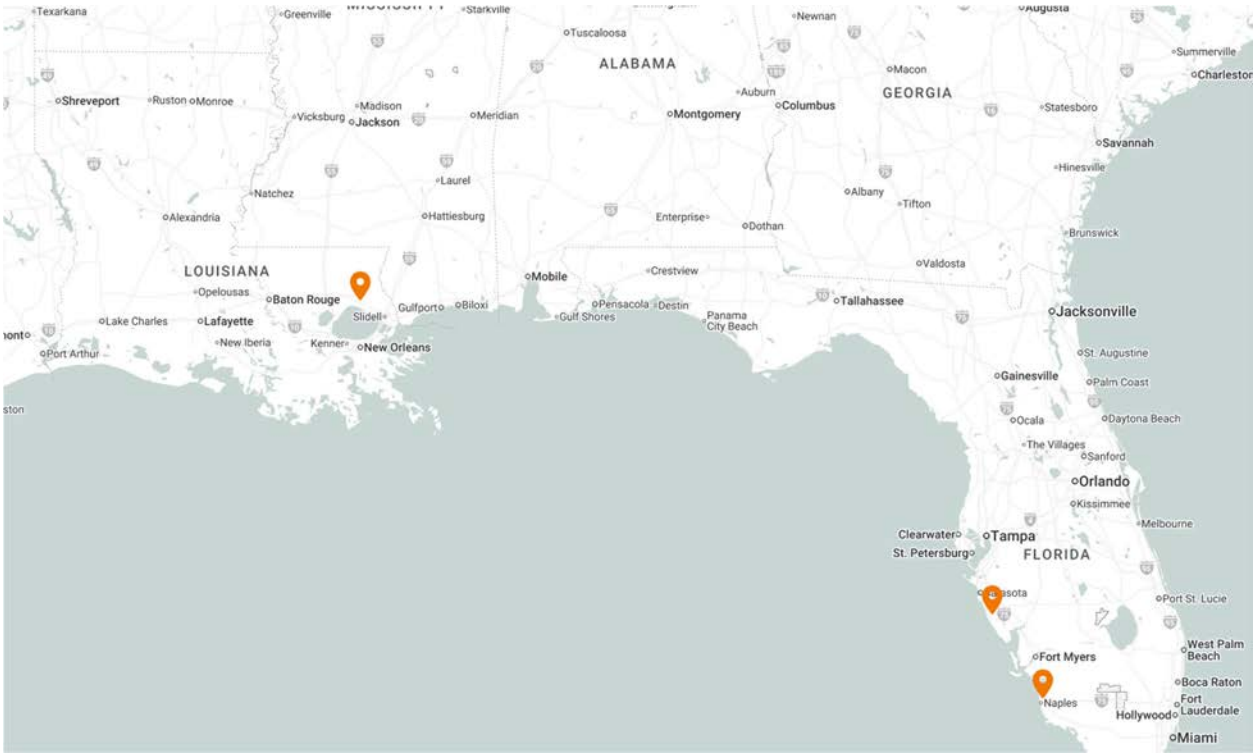
GENERAL INFORMATION REGARDING THE COMMUNITIES AND OPERATIONS

Overview

The three Communities are located in two states –two in Florida and one in Louisiana. The following map depicts the location of the Communities in the Southeastern United States:



Residency Agreements and Levels of Care

Each Community utilizes a form of agreement and enters into that agreement based on the appropriate type of unit / bed when a resident first becomes a resident or when a resident requires a change in level of care (*e.g.*, from assisted living to memory care) (these agreements are referred to herein and in the Master Indenture as "**Residency Agreements**"). Each Residency Agreement provides for the payment of any applicable community fee due in connection with the initial occupancy, as well as monthly rental rates and any other applicable charges.

The following table sets forth the levels of care available at each Community:

Community	Memory Care	Assisted Living
Fairways at Naples	✓	
Liana of Venice	✓	
Sage Lake Senior Living	✓	✓

A description of the services included with each level of care and the associated residency and other fees is included under the subheading "Resident Fees and Number of Units/Beds" for each Community under the caption "**THE COMMUNITIES AND OPERATIONS**" below. Each Community determines each resident's level of required care based on the Community's evaluation of the resident's care needs at the time of preadmission and periodically reviews the residents needs for any significant changes.

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Property Managers

The current property owners have previously entered into separate management agreements (each, a "**Management Agreement**") with third party managers identified in the chart below (each, a "**Manager**" or a "**Property Manager**"), pursuant to which the Property Manager manages the operations of the related Community, including the employment of required employees, the engagement and management of third party service providers and provision of operational and financial reporting related to such Community. As part of the Acquisitions other than Sage Lake Senior Living, each seller will assign the existing Management Agreement to the related Member of the Obligated Group and the related Property Manager will consent to such assignment. In connection with the acquisition of Sage Lake Senior Living, ALP will enter into a new Management Agreement with the current Manager of the Community.

The following table provides summary information regarding the existing Management Agreements:

Community	Property Manager	Current Term Expires	Renewal Provisions
Fairways at Naples	DR Management Services, LLC	April 1, 2029	Automatic extension for successive one-year periods if neither party provides notice at least 60 days prior to then current expiration date
Liana of Venice	DR Management Services, LLC	April 1, 2029	Automatic extension for successive one-year periods if neither party provides notice at least 60 days prior to then current expiration date
Sage Lake Senior Living[(1)]	Integral Senior Living Management, LLC	July 1, 2026	Automatic extension for successive one-year periods if neither party provides notice at least 60 days prior to then current expiration date

(1) ALP will enter into a replacement Management Agreement with the current Manager in connection with the acquisition transaction that will be effective on the closing date and is expected to have an initial 5-year term with the same renewal term provisions.

The following summary information related to each Property Manager has been obtained from the respective Property Manager:

DR Management Services, LLC – DR Management Services, LLC, the property manager for Fairways at Naples and Liana of Venice, is an affiliate of Distinctive Living, L.L.C. Distinctive Living is an operator and developer of senior living properties with 36 facilities under management (including 12 in Florida), that include approximately 210 independent living units, 1,540 assisted living units and 1,100 memory care units) and 16 in their development pipeline (including 10 in Florida). Based in Freehold, New Jersey, Distinctive Living operates independent living, assisted living, and memory care properties across eight states. The members of the Distinctive Living leadership team have all individually been in the senior housing business for over 20 years.

Integral Senior Living Management, LLC - Integral Senior Living Management, LLC ("**ISL**") is the property manager for Sage Lake Senior Living. ISL, based in Carlsbad, California, oversees a diverse array of over 100 senior living communities, addressing the expanding needs of the aging population. ISL operates independent living, assisted living, and memory care communities across 25 states that include approximately 275 independent living units, 3,200 assisted living units and 1,050 memory care units. As one of the largest senior living providers in the United States, ISL is built on a philosophy that emphasizes dignity, respect, and the promotion of independence and individuality for residents. The committed staff at each community is trained to uphold the highest standards of senior care services.

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Asset Manager and NFP Manager

Asset Manager. Each seller under the Purchase Agreements is affiliated with Trinity Investors, a private equity firm based in Southlake, Texas (see the caption "**THE BORROWER, THE OBLIGATED GROUP AND THE PORTFOLIO ACQUISITION – Trinity Investors**" in the forepart of this Limited Offering Memorandum for additional information relating to Trinity Investors). To assist in ongoing and operational matters, ALP is entering into an Asset Management Agreement (the "**Asset Management Agreement**"), with an affiliate of Trinity, Trinity SL Asset Manager LLC, a Texas limited liability company (the "**Asset Manager**"), pursuant to which the Asset Manager will provide certain asset management services to the Obligated Group in exchange for the Asset Management Fee. The services to be provided by the Asset Manager under the terms of the Asset Management Agreement include, among others, inspecting each Community from time to time, assisting with regulatory compliance matters, reviewing insurance and risk management matters, consulting and advising on accounting and tax return matters, monitoring revenues received and expenses incurred in connection with the operation of each Community and providing guidance, certifications and other matters as required by the Master Indenture.

See **Appendix C-5** to this Limited Offering Memorandum for the form of the Asset Management Agreement.

NFP Manager. ALP is entering into a Not-For-Profit Management Agreement (the "**NFP Management Agreement**"), with each Community owner pursuant to which ALP will provide certain administrative services for each Community owner. The administrative services include, among others, maintaining each owner's financial books and records, managing business and resident relationships, preparing and assisting in the preparation of each owner's financial and board reports, and coordinating all other reporting and other obligations of the owner as a Member of the Obligated Group.

See **Appendix C-5** to this Limited Offering Memorandum for the form of the NFP Management Agreement.

Management Fees. The Obligated Group will pay an ongoing asset management fee determined under the terms of the Asset Management Agreement and each Community will pay an ongoing non-profit management fee determined under the terms of the NFP Management Agreement. The total fees owned under the Asset Management Agreement and the NFP Management Agreement are capped at 1.50% of Gross Revenues each year, a portion of which will be considered Senior Management Fees and a portion of which will be considered Subordinated Management Fees (as described below).

Senior Management Fees. Pursuant to the Master Indenture and the NFP Management Agreement, a portion of the fees owed to ALP in an amount equal to $300 per assisted living units and/or memory care beds (currently 190) available at each Community will be considered "**Senior Management Fees**" and be payable from the Operating Accounts as an operating expense of each Community.

Subordinated Management Fees. The balance of fees owed under the NFP Management Agreement and all of the fees owed to the Asset Manager under the Asset Management Agreement will be deemed a part of "**Subordinated Management Fees**" and payable from funds available for such purpose in the Subordinated Management Fees Fund in accordance with the priority of disbursements from the Revenue Fund described under the caption "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Master Indenture**" in the forepart of this Limited Offering Memorandum.

Historical Operations and Oversight of Communities

The following summarizes the historical approach the current owners of the Communities have taken with respect the operation and oversight of the Communities and that the Obligated Group has indicated it will continue following its acquisition.

Trinity has been committed to operating each Community based on a number of factors, including the use of modest non-refundable community fees rather than larger, amortizing or refundable entrance fees, the provision of assisted living and memory care services to residents and not offering skilled nursing services. A key component of Trinity's ownership of the Communities, which will be continued by the Obligated Group following their acquisition, has been the selection and oversight of qualified property management companies. The current owners selected the Property Managers (see the caption "**Property Managers**" above) based on a number of factors, including whether the company already had

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a presence within the state (or even more ideally within the submarket) and whether the company had experience operating senior housing, with at least 20 properties in its operating portfolio that included successful operating performance metrics.

Following selection of a Property Manager, Trinity has focused on a two-pronged approach to improving the operating profile of each Community – first, pricing rental rates at mid-market levels and not at the top of the market while being mindful of the quality and newness of each property and, second, focus on expense minimization. Each Community has implemented annual in-place rent increases based on NIC averages and other factors, including current occupancy levels, waitlists (if any), property turnover, etc. Expense mitigation efforts have included centralized ownership expense sharing, margin growth achieved by bringing certain functions in-house rather than relying on third parties (*e.g.*, culinary services at Fairways at Naples and Liana of Venice were brought in-house in mid-2024 to gain more control over food and dining costs), and the avoidance of agency labor costs where possible.

Trinity has worked closely with on-site Property Manager personnel, as well as associated regional managers and executives, to monitor ongoing property performance and plan for the future, including:

- monthly financial and operational reviews to ensure that performance is in line with the overall business plan for each Community;
- reviews of weekly occupancy updates;
- reviews of annual budgets prepared by each Property Manager and provided to Trinity by November 1 of each year and providing feedback on areas needing adjustment;
- ongoing review of monthly performance and discussion of any adjustments needed to the budget due to any material deviations from the final budget that each Property Manager is required to notify Trinity of on an ongoing basis;
- ongoing discussions regarding the setting of rental rates based on the factors discussed above; and
- implementing an active and structured sales process designed to convert both inbound and referral-driven leads, which focuses on the speed of the follow-up to any inbound requests from website or phone calls and any referral sources, and cultivating healthcare driven referrals that typically lead to more qualified leads and longer average length of stays.

THE COMMUNITIES AND OPERATIONS

Fairways at Naples (Naples, Florida)

Fairways at Naples is a 50-unit memory care facility containing 54 memory care beds, with a total capacity of 54 beds and a licensed capacity of 54 beds. Construction of the facility was completed in 2020, with initial occupancy occurring in September 2021 after completion of the full licensing process through the Florida Agency for Health Care Administration.

Fairways at Naples is located in Naples, Florida, which is located on Florida's southwest coast on the Gulf and is part of the Naples-Marco Island metropolitan statistical area located in Collier County. According to the U.S. Census Bureau, the 2022 population of Collier County was estimated to be 380,221, a growth of approximately 51.3% since 2000, with 32.8% of the 2022 population being 65 years old and over.

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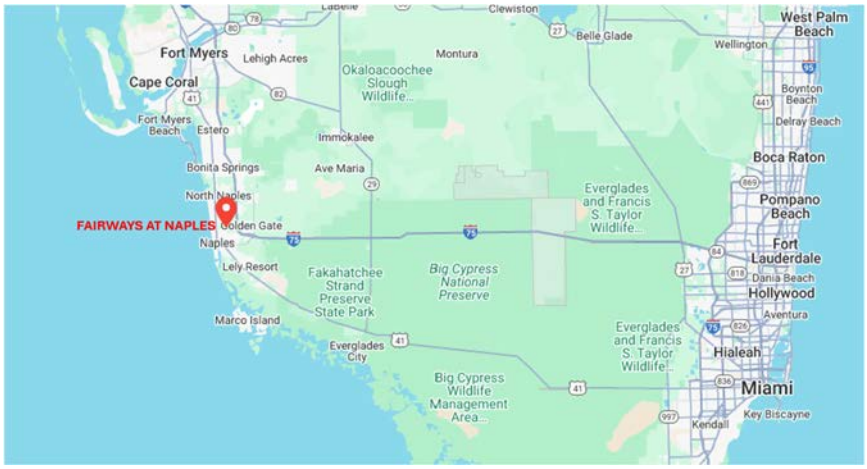
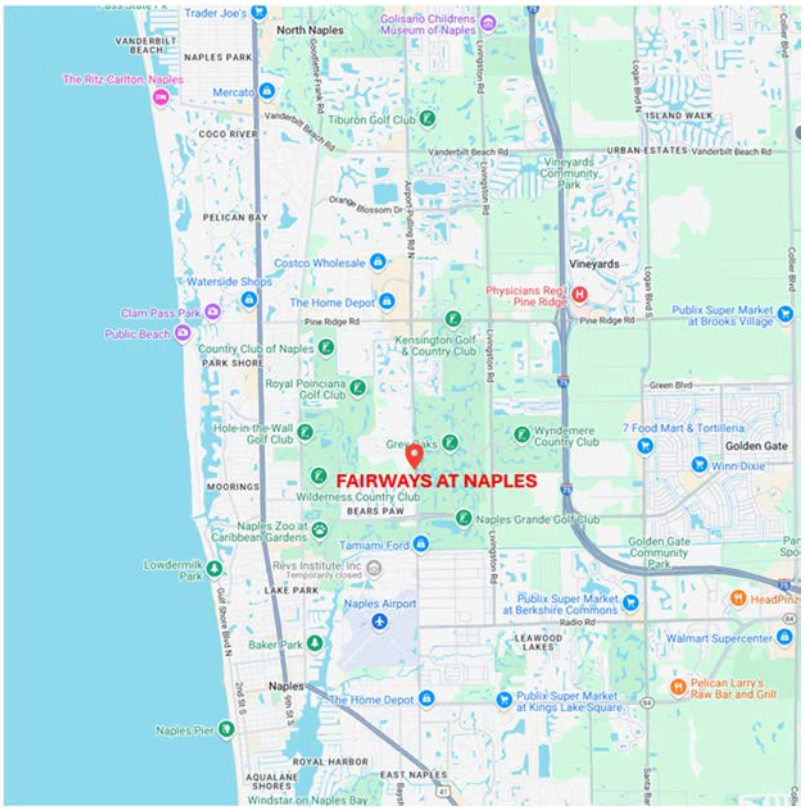
Fairways at Naples is located approximately 3 miles east of the Gulf. The following two maps depict the general location of Fairways at Naples in the Naples, Florida region:





The facility is a one-story design with connecting hallways that travel around three courtyards and central common areas. The entrance comes through a lobby area with décor and furniture allowing residents to lounge and relax around the fireplace. Each resident unit has a closet and full bath, except for twelve centrally located units that each share a full bath with one other unit. The exterior of the facility is topped with a terra cotta tile roof, and stucco walls are flanked by lush landscaping. Facility amenities include outdoor courtyards with walking paths, a salon, theater room, a library and craft room. The property is located on a main road in Naples, Florida.

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The following images provide an aerial view of the facility, a view of the main entrance and various interior areas:

Phase I Report. A Phase I Environmental Site Assessment was conducted in June 2016 for the property upon which Fairways at Naples was constructed by Universal Engineering Services, Inc. A Phase I Environmental Site Assessment includes review of local, state and federal records and review of the past uses of the sites. The Phase I Environmental Site Assessment for Fairways at Naples revealed no evidence of recognized environmental conditions at the site and determined that no further environmental studies related to the scope of work of such assessments were needed at the time of the report. Phase I Environmental Site Assessments will not necessarily reveal all potential environmental issues and are subject to certain assumptions and limitations set forth therein.

Resident Fees and Number of Units/Beds. The following table sets forth the base monthly rent (*i.e.*, the rental rate marketed to prospective tenants) as of January 2024 and August 2025 (and the percentage change over that period of time) at Fairways at Naples for each unit type and the current number of related beds:

Unit Type	Number of Beds	Base Monthly Rent (As of Jan. 2024)	Base Monthly Rent (As of Aug. 2025)	Percent Change (1/24 to 8/25)
Majestic Suite	12	$6,000	$6,300	5.0%
Prestige Suite	6	$6,400	$6,700	4.7%
Stuart Suite	26	$6,700	$6,900	3.0%
Monarch Suite	8	$7,400	$7,600	2.7%
Imperial Studio	2	$7,800	$8,000	2.6%

In addition to the base monthly rental charges, Fairways at Naples charges a one-time community fee, which is currently $3,000 and a monthly fee of $2,500 for a second resident. Memory care fees include three prepared meals daily in addition to snacks; daily housekeeping; personal laundry and linen service; complete apartment maintenance services (including plumbing and major appliances); 24-hour a day resident care; all utilities (excluding phone service); calendar of programs, events and outings designed for residents with memory care needs; and structured and spontaneous classes tailored for resident needs. Additional levels of service may be available to residents for additional fees.

Summary Financial Results. Summary net operating income statements and related financial metrics for Fairways at Naples for the fiscal years ended December 31, 2022 through 2024 and for the seven-month periods ended July 31, 2024 and 2025 is set forth in this **Appendix A-1** under the caption "**HISTORICAL OPERATING INFORMATION FOR THE COMMUNITIES – Fairways at Naples Historical Net Operating Income Statements**."

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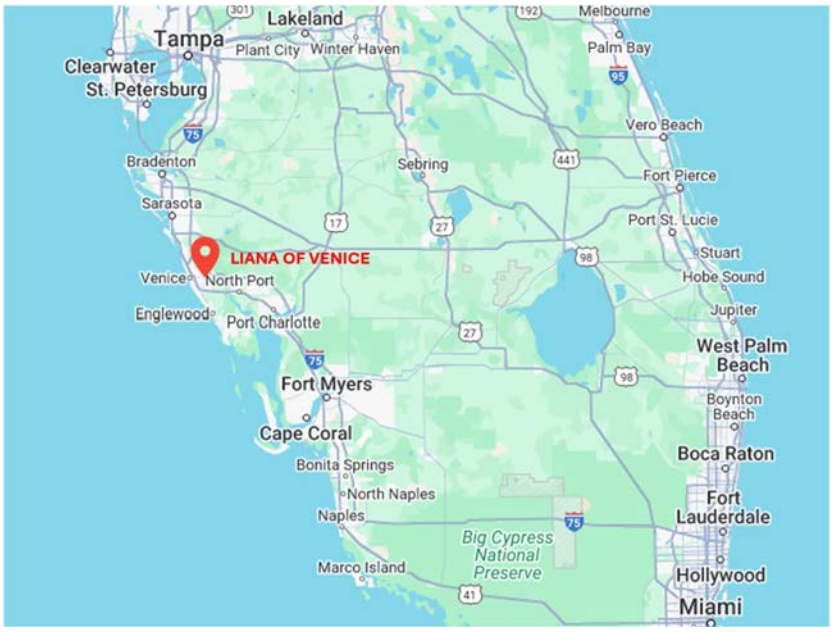
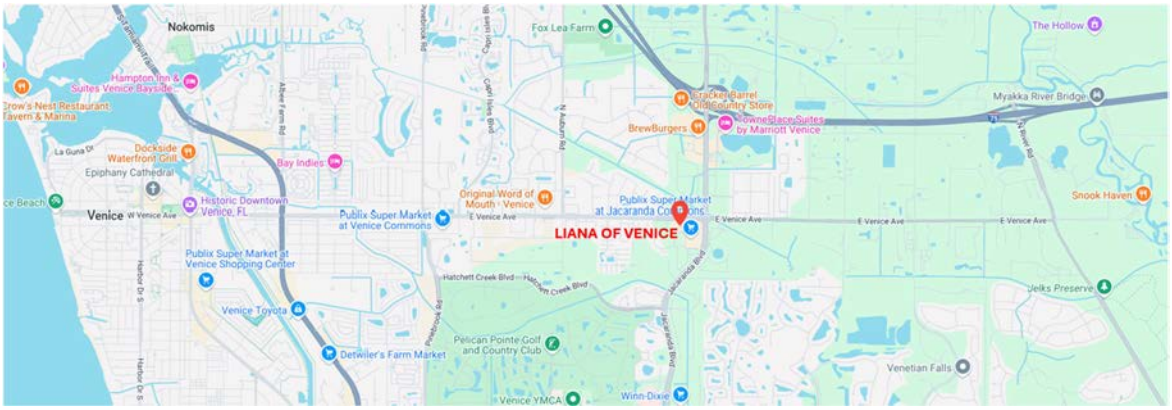
Liana of Venice (Venice, Florida)

Liana of Venice is a 50-unit memory care facility containing 54 memory care beds, with a total capacity of 54 beds and a licensed capacity of 54 beds. Construction of the facility was completed in the fourth quarter of 2017, with initial occupancy occurring in the second quarter of 2018 after completion of the full licensing process through the Florida Agency for Health Care Administration.

Liana of Venice is located in Venice, Florida, which is located on Florida's western coast on the Gulf approximately 90 miles south of Tampa Bay and 30 miles south of Sarasota. Venice is in Sarasota County and is a part of the North Port-Bradenton-Sarasota metropolitan statistical area located in Manatee and Sarasota counties. According to the U.S. Census Bureau, the 2022 population of Sarasota County was estimated to be 469,013, a growth of approximately 43.9% since 2000, with 37.7% of the 2022 population being 65 years old and over.

Liana of Venice is located approximately 4.5 miles east of the Gulf. The following two maps depict the general location of Liana of Venice in the Venice, Florida region:





The facility is a one-story design with connecting hallways that travel around three courtyards and central common areas. The entrance comes through a lobby area with décor and furniture allowing residents to lounge and relax around the fireplace. Each resident unit has a closet and full bath, except for twelve centrally located units that each share a full bath with one other unit. The exterior of the facility is topped with a terra cotta tile roof, and stucco walls are flanked

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by lush landscaping. Facility amenities include outdoor courtyards with walking paths, a salon, theater room, a library and craft room. The property is located on a main road in Venice, Florida.

The following images provide an aerial view of the facility, a view of the main entrance and various interior areas:

Phase I Report. A Phase I Environmental Site Assessment was conducted in March 2015 for the property upon which Liana of Venice was constructed by Universal Engineering Services, Inc. A Phase I Environmental Site Assessment includes review of local, state and federal records and review of the past uses of the sites. The Phase I Environmental Site Assessment for Liana of Venice revealed no evidence of recognized environmental conditions at the site and determined that no further environmental studies related to the scope of work of such assessments were needed at the time of the report. Phase I Environmental Site Assessments will not necessarily reveal all potential environmental issues and are subject to certain assumptions and limitations set forth therein.

Resident Fees and Number of Units/Beds. The following table sets forth the base monthly rent (*i.e.*, the rental rate marketed to prospective tenants) as of January 2024 and August 2025 (and the percentage change over that period of time) at Liana of Venice for each unit type and the current number of related beds:

Unit Type	Number of Beds	Base Monthly Rent (As of Jan. 2024)	Base Monthly Rent (As of Aug. 2025)	Percent Change (1/24 to 8/25)
Shared Suite	12	$6,300	$6,500	3.2%
Small Studio Suite	6	$6,500	$6,700	3.1%
Standard Studio Suite	26	$6,800	$7,000	2.9%
Large Studio Suite	2	$7,300	$7,500	2.7%
Companion Suite	8	$10,000	$10,000	None

In addition to the base monthly rent, Liana of Venice charges a one-time community fee, which is currently $3,000 and a monthly fee of $2,500 for a second resident. Memory care fees include three prepared meals daily in addition to snacks; daily housekeeping; personal laundry and linen service; complete apartment maintenance services (including plumbing and major appliances); 24-hour a day resident care; all utilities (excluding phone service); calendar of programs, events and outings designed for residents with memory care needs; and structured and spontaneous classes tailored for resident needs. Additional levels of service may be available to residents for additional fees.

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Summary Financial Results. Summary net operating income statements and related financial metrics for Liana of Venice for the fiscal years ended December 31, 2022 through 2024 and for the seven-month periods ended July 31, 2024 and 2025 is set forth in this **Appendix A-1** under the caption "**HISTORICAL OPERATING INFORMATION FOR THE COMMUNITIES – Liana of Venice Historical Net Operating Income Statements**."

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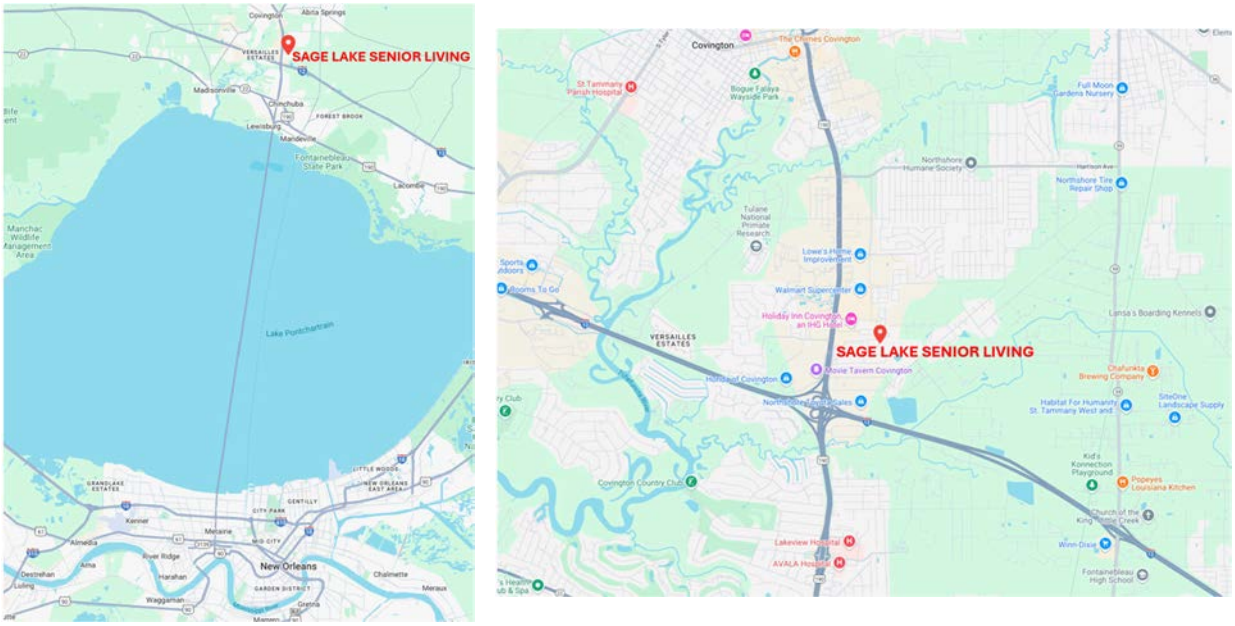
Sage Lake Senior Living (Covington, Louisiana)

Sage Lake Senior Living is a senior living facility containing 66 assisted living units and 16 memory care beds, with a total capacity of 82 units/beds and a licensed capacity of 120 beds. Construction of the facility was completed in the summer of 2019, with initial occupancy occurring in September 2019 after completion of the full licensing process through the Louisiana Department of Health.

Sage Lake Senior Living is located in Covington, Louisiana, which is the parish seat of St. Tammany Parish, located on the north side of Lake Pontchartrain across from New Orleans. According to the U.S. Census Bureau, the 2022 population of St. Tammany Parish was estimated to be 275,583, a growth of approximately 44.1% since 2000, with 19.0% of the 2022 population being 65 years old and over.

The following two maps depict the general location of Sage Lake Senior Living in the Covington, Louisiana region:



The property sits on just under 7 acres of land, has a central courtyard with landscaping, and numerous amenities. Amenities include lounges, a bistro, dining hall, chapel, great room and beauty salon. Units include kitchens with dark cabinetry, stainless appliances, and granite countertops. Units are available in studio, one-bedroom, and two-bedroom layouts.

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The following images provide an aerial view of the facility, a view of the main entrance and various interior areas:

Phase I Report. A Phase I Environmental Site Assessment was conducted in October 2017 for the property upon which Sage Lake Senior Living was constructed by Environmental Auditors of America, Inc. A Phase I Environmental Site Assessment includes review of local, state and federal records and review of the past uses of the sites. The Phase I Environmental Site Assessment for Sage Lake Senior Living revealed no evidence of recognized environmental conditions at the site and determined that no further environmental studies related to the scope of work of such assessments were needed at the time of the report. Phase I Environmental Site Assessments will not necessarily reveal all potential environmental issues and are subject to certain assumptions and limitations set forth therein.

Resident Fees and Number of Units/Beds.

Assisted Living Units. The following table sets forth the base monthly rent (*i.e.*, the rental rate marketed to prospective tenants) as of January 2024 and August 2025 (and the percentage change over that period of time) for assisted living units at Sage Lake Senior Living for each unit type and the current number of related beds:

Unit Type	Number of Beds	Base Monthly Rent (As of Jan. 2024)	Base Monthly Rent (As of Aug. 2025)	Percent Change (1/24 to 8/25)
Studio Unit	10	$3,800	$4,100	7.9%
Studio Deluxe Unit	22	$4,000	$4,300	7.5%
One Bedroom Unit	22	$4,400	$4,995	13.5%
Two Bedroom Unit	12	$5,100	$5,395	5.8%

In addition to the base monthly rent, Sage Lake Senior Living charges the following fees to assisted living residents:

Assisted Living Care Fee:	$2,000 per month
Second Occupant Fee	$1,000 per month
Med Pass Only Fee	$1,000 per month
Community Fee	$3,000 (one-time fee)

Assisted living fees include three prepared meals daily in addition to snacks; weekly housekeeping and linen service; complete apartment maintenance services (including plumbing and major appliances); 24-hour a day resident care; schedule location transportation services to shopping, appointments and entertainment; all utilities (excluding phone service); calendar of programs and events; health and wellness programs; and resident call response system. Additional levels of service may be available to residents for additional fees.

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Memory Care Beds. The following table sets forth the base monthly rent (*i.e.*, the rental rate marketed to prospective tenants) as of January 2024 and August 2025 (and the percentage change over that period of time) for memory care units at Sage Lake Senior Living and the current number of related beds:

Unit Type	Number of Beds	Base Monthly Rent (As of Jan. 2024)	Base Monthly Rent (As of Aug. 2025)	Percent Change (1/24 to 8/25)
Private Studio	16	$6,895	$7,300	5.9%

In addition to the base monthly rent, Sage Lake Senior Living charges memory case residents a one-time community fee, which is currently $3,000. Memory care fees include three prepared meals daily in addition to snacks; daily housekeeping; personal laundry and linen service; complete apartment maintenance services (including plumbing and major appliances); 24-hour a day resident care; all utilities (excluding phone service); calendar of programs, events and outings designed for residents with memory care needs; and structured and spontaneous classes tailored for resident needs. Additional levels of service may be available to residents for additional fees.

Summary Financial Results. Summary net operating income statements and related financial metrics for Sage Lake Senior Living for the fiscal years ended December 31, 2022 through 2024 and for the seven-month periods ended July 31, 2024 and 2025 is set forth in this **Appendix A-1** under the caption "**HISTORICAL OPERATING INFORMATION FOR THE COMMUNITIES – Sage Lake Senior Living Historical Net Operating Income Statements**."

HISTORICAL OCCUPANCY INFORMATION FOR THE COMMUNITIES

Summary Portfolio Occupancy Information

The following table provides a summary of available units / beds for each Community:

Community	Assisted Living (AL) Units	Memory Care (MC) Beds	Total Units/Beds Capacity	Licensed Capacity
Fairways at Naples	–	54	54	54
Liana of Venice	–	54	54	54
Sage Lake Senior Living	66	16	82	120
	66	124	190	228

Note: References in this **Appendix A-1** and elsewhere in the Limited Offering Memorandum to units or occupancy for assisted living units are to the actual physical units within each Community or the Portfolio, as appropriate. References in this **Appendix A-1** and elsewhere in the Limited Offering Memorandum to units, beds or occupancy for memory care units or beds are to the total number of beds within a Community or the Portfolio, as appropriate.

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The following table details the average annual occupancy of each Community and the Portfolio during 2021 through 2024, and through July 2025 (along with the related net operating income for each period (see "**HISTORICAL OPERATING INFORMATION FOR THE COMMUNITIES**" in this **Appendix A-1**)).

Year Totals and Average Occupancy - January 2021 to July 2025

Community	Fairways at Naples		Liana of Venice		Sage Lake Senior Living		Total	
Year	NOI	Avg. Occ.	NOI	Avg. Occ.	NOI	Avg. Occ.	NOI	Avg. Occ.
2021	($203,228)	12.0%	$292,660	72.4%	$904,084	91.6%	$993,517	76.3%
2022	(445,637)	26.4%	335,658	73.4%	1,274,583	96.6%	1,164,605	70.1%
2023	(565,681)	42.4%	626,133	86.6%	1,457,419	97.4%	1,517,871	78.7%
2024	521,637	79.3%	836,685	93.7%	1,428,835	93.4%	2,787,158	89.5%
2025	449,522	85.7%	541,971	86.8%	1,148,302	97.4%	2,139,795	91.1%

Source: Derived from Trinity Investors, LLC. internal cash flow statements.

Note: 2025 through July. Percent occupancy from January - August 2021 is calculated off of total of 136 available. Fairways at Naples was opened in September 2021.

The following table details the historical occupancy for each quarter from the fourth quarter of 2021 through the second quarter of 2025 and for July 2025 of each Community and the Portfolio based on the total available units/beds occupied for the applicable quarter (along with the related net operating income for each period (see "**HISTORICAL OPERATING INFORMATION FOR THE COMMUNITIES**" in this **Appendix A-1**)).

Historical Portfolio NOI and Occupancy By Quarter (Average Daily Census) - January 2021 to July 2025

Community	Fairways at Naples		Liana of Venice		Sage Lake Senior Living		Total	
Year and Quarter	NOI	Avg. Occ.*	NOI	Avg. Occ.	NOI	Avg. Occ.	NOI	Avg. Occ.
21 Q4	($130,926)	12.0%	$84,880	75.9%	$270,738	99.1%	$224,692	67.7%
22 Q1	(106,190)	22.0%	81,789	72.1%	343,959	99.6%	319,558	69.7%
22 Q2	(85,412)	25.9%	98,739	71.0%	316,517	95.9%	329,845	68.9%
22 Q3	(119,192)	25.9%	47,896	70.0%	247,514	92.7%	176,217	67.3%
22 Q4	(134,843)	31.8%	107,233	80.7%	366,594	98.2%	338,984	74.3%
23 Q1	(126,752)	38.3%	83,103	86.4%	350,205	97.0%	306,556	77.3%
23 Q2	(127,303)	40.1%	165,539	85.8%	387,077	98.3%	425,312	78.2%
23 Q3	(142,901)	42.0%	185,416	87.0%	328,900	98.5%	371,415	79.2%
23 Q4	(168,724)	49.4%	192,075	87.0%	391,237	95.9%	414,588	80.2%
24 Q1	91,515	79.0%	178,285	87.7%	346,249	91.1%	616,049	86.7%
24 Q2	213,403	81.5%	179,839	95.1%	312,582	91.5%	705,824	89.6%
24 Q3	124,509	76.5%	271,128	97.5%	378,429	93.5%	774,066	89.8%
24 Q4	92,210	80.2%	207,434	94.4%	391,575	97.6%	691,219	91.8%
25 Q1	213,773	84.6%	244,426	87.0%	512,604	99.6%	970,802	91.8%
25 Q2	175,358	87.0%	199,138	84.0%	471,596	95.9%	846,092	90.0%
25 July	60,391	85.2%	98,408	94.4%	164,102	95.1%	322,901	92.1%

Source: Derived from Trinity Investors, LLC. internal cash flow statements.

** Note: Fairways at Naples opened in September 2021. First full quarter of data begins in 2021 Q4 when all three properties came online and were in operation.*

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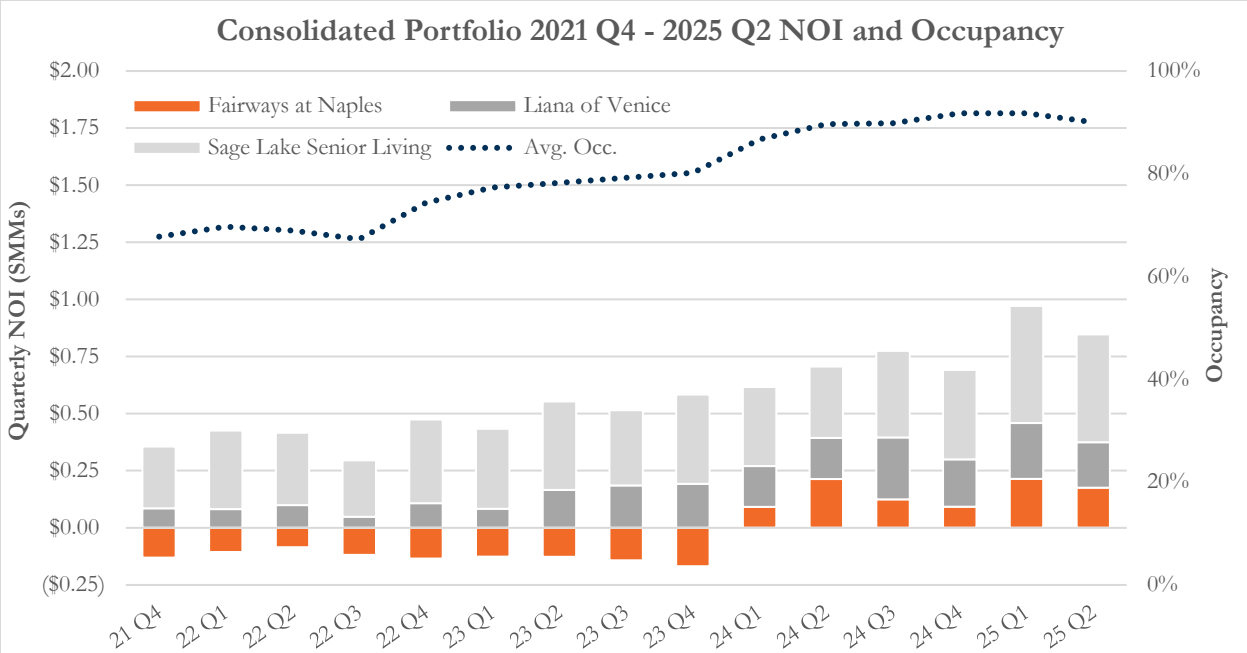
HISTORICAL OPERATING INFORMATION FOR THE COMMUNITIES

Set forth below in this section are tables containing the historical net operating income statements for the Portfolio and for each Community for the fiscal years ended December 31, 2022, 2023 and 2024, along with year-to-date total net operating income statements for the seven months (January through July) in the current fiscal year and the prior fiscal year, along with year-to-date changes comparing the current fiscal year to the prior fiscal year. In addition, certain financial metrics, including available units / beds, occupied units / beds and calculations of revenue, expenses and net operating income per available and per occupied units / beds are presented in the historical net operating income statements based on the actual historical information.

The information contained in the tables on the following pages for the fiscal year ended December 31, 2024 differ from the combined financial statements for the Borrower as of December 31, 2024 and for the year then ended that are included in Appendix A-2 to this Limited Offering Memorandum due to the fact that the following information was prepared on a cash basis and the combined financial statements included in Appendix A-2 are prepared based on generally accepted accounting principles, as described therein.

The following table summarizes the quarterly net operating income of each Community from the fourth quarter of 2021 through the second quarter of 2025, as well as the Portfolio's occupancy percentage for the same period. Details of the net operating income for the Portfolio and each Community are presented on the following pages.



Note: First full quarter of data begins in 2021 Q4 when all three properties came online and were in operation.

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Portfolio Historical Consolidated Net Operating Income Statements

Consolidated Historical Financials Portfolio						
					Variance	
	2022 Total	*2023 Total*	*2024 Total*	*2025 YTD*	(Jan. - Jul. 2024 to Jan. - Jul. 2025)	
Occupancy				Average	Change	% Change
Total Beds/Units Available	190	190	190	190	-	-
Average Beds/Units Occupied	133	150	170	173	5	2.7%
Occupancy Rate (%)	70.1%	78.7%	89.5%	91.1%	-	2.7%
Rental Revenue/Occ Room/Month ($)	4,729	5,082	5,443	5,795	400	7.4%
Revenue/Occ Room/Month ($)	5,082	5,534	5,935	6,367	470	8.0%
Expenses/Occ Room/Month ($)	4,353	4,691	4,568	4,600	60	1.3%
NOI/Occ Room/Month ($)	730	843	1,366	1,767	410	30.2%
Revenue/Available Units/Month ($)	3,558	4,369	5,310	5,796	569	10.9%
Expenses/Available Units/Month ($)	3,047	3,703	4,087	4,187	165	4.1%
NOI/Available Units/Month ($)	511	666	1,222	1,609	403	33.5%
Year-Over-Year Change ($)		155	557			
Year-Over-Year Change (%)		30.3%	83.6%			
Revenues					*Variance*	
					(Jan. - Jul. 2024 to Jan. - Jul. 2025)	
Rental Income				2025 YTD Total	Change	% Change
Assisted Living Rental Income	$ 2,868,883	$ 3,117,538	$ 2,930,124	$ 1,970,946	$ 327,316	19.9%
Memory Care Rental Income	4,679,321	6,029,703	8,172,954	5,047,116	328,462	7.0%
Total Rental Income	***$ 7,548,204***	***$ 9,147,241***	***$ 11,103,078***	***$ 7,018,062***	***$ 655,778***	***10.3%***
Year-over-Year Growth	***24.2%***	***21.2%***	***21.4%***			
Other Income						
Care Revenues	$ 638,675	$ 723,250	$ 688,767	$ 439,442	$ 40,693	10.2%
Community Fee	159,650	197,645	269,232	196,300	37,068	23.3%
Concessions	(287,497)	(172,670)	(53,084)	(37,953)	(23,867)	169.4%
Miscellaneous Income	52,317	66,009	98,590	92,779	46,535	100.6%
Total Other Income	***$ 563,145***	***$ 814,234***	***$ 1,003,506***	***$ 690,568***	***$ 100,429***	***17.0%***
TOTAL OPERATING REVENUE	***$ 8,111,349***	***$ 9,961,475***	***$ 12,106,584***	***$ 7,708,629***	***$ 756,207***	***10.9%***
Year-over-Year Growth	***23.9%***	***22.8%***	***21.5%***			
Expenses						
Payroll & Employee Benefits	$ 3,911,597	$ 4,522,832	$ 5,308,313	$ 3,043,921	$ (50,173)	(1.6%)
Sales and Marketing	197,214	357,479	471,117	340,302	101,262	42.4%
General and Administrative	378,413	485,310	681,578	497,617	153,327	44.5%
Dietary	760,893	968,714	664,786	345,005	(84,379)	(19.7%)
Housekeeping	44,858	48,639	56,952	31,453	(3,791)	(10.8%)
Activities and Resident Experiences	52,662	82,138	59,972	42,559	11,503	37.0%
Repairs and Maintenance	176,379	190,949	234,208	139,906	7,956	6.0%
Utilities	316,256	359,054	350,933	223,368	45,981	25.9%
Property Insurance	300,010	488,455	529,639	277,474	(26,350)	(8.7%)
Real Estate Taxes	366,958	384,892	366,132	220,113	(4,546)	(2.0%)
Property Manager Fee	441,503	555,143	595,797	407,116	69,004	20.4%
Total Operating Expenses	***$ 6,946,744***	***$ 8,443,605***	***$ 9,319,426***	***$ 5,568,835***	***$ 219,794***	***4.1%***
TOTAL OPERATING EXPENSES	***$ 6,946,744***	***$ 8,443,605***	***$ 9,319,426***	***$ 5,568,835***	***$ 219,794***	***4.1%***
Year-over-Year Growth	***25.1%***	***21.5%***	***10.4%***			
NET OPERATING INCOME	***$ 1,164,605***	***$ 1,517,870***	***$ 2,787,158***	***$ 2,139,795***	***$ 536,414***	***33.5%***
Year-over-Year Growth	***17.2%***	***30.3%***	***83.6%***			

Source: Derived from Trinity Investors, LLC. internal cash flow statements.

Note: 2025 YTD through July.

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Management's Discussion and Analysis Regarding the Portfolio and the Combined Financial Statements.

The following includes Trinity Investors, LLC's discussion and analysis of the historical financial compilation for the senior living portfolio in question to be purchased by Alpha consisting of three properties: Fairways at Naples, Liana of Venice, and Sage Lake Senior Living (the "Properties" or the "Portfolio"). The following should be read in conjunction with the information contained in this Appendix A-1 and the combined financial statements included in Appendix A-2 to this Limited Offering Memorandum

The Portfolio generated revenues in 2024 primarily through the collection of rental revenues and secondarily through smaller other income sources such as care revenues totaling approximately $12.1 million, which represents an approximately 22% increase over the 2023 total revenue of $10.0 million. The annual increase in revenues ensued through a combination of occupancy increases across the Portfolio and rental rate increases that were instituted at each property during the year. The Portfolio had an average monthly census of 170 residents in 2024, which compares to an average monthly census of 150 residents in 2023. We attribute the increase to enhanced marketing efforts and operating improvements under the new management companies. Additionally, demand for senior housing and particularly acute care services as offered at the Properties continues to increase.

Expenses for the Portfolio increased year-over-year as a result of general inflation, but we continue to implement efforts to minimize expenses. For example, any use of agency labor services was removed during the 2024 calendar year in efforts to decrease payroll expenses. Worth noting, the Portfolio did produce transition expenses in the 2024 calendar year, which were one-time costs associated with transitioning property management companies and paying outstanding fees and bonuses owed to prior property management groups (specifically at The Fairways at Naples and the Liana of Venice properties).

Importantly, the data included within the historical financial compilation is representative of the 2024 financials for the properties under their current ownership structures. Each of the three properties is currently owned through a joint venture partnership between Trinity Investors, LLC and a sponsor partner. The compilation data is not representative of the prospective balance sheet of Alpha Lifestyle Partners, Inc. under the new ownership structure, but rather of the existing ownership structures. There are a number of expenses shown in the compilation which are applicable to the current ownership structures. For example, the Asset Management Fee noted in the report is paid to Trinity Investors, LLC by the joint venture partnership, and the Professional and Legal Expenses as noted in the compilation are costs of the partnership related to legal, tax preparation, and other fees that are not at the property or operating level. These fees will not continue under Alpha's ownership, and Alpha is expected to have the ability to pay administrative fees under the new ownership structure through the senior NFP Fee. Lastly, there may be certain timing differences between the accounting data reported in the compilation and the data provided in the financials as reported by Trinity Investors, LLC, such as a bad debt being accounted for in one month (or year) in the compilation vs. in a prior month (or year) according to the operational accounting team.

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Fairways at Naples Historical Net Operating Income Statements

Fairways at Naples Historical Financials Naples, Florida						
					Variance	
	2022 Total	*2023 Total*	*2024 Total*	*2025 YTD*	(Jan. - Jul. 2024 to Jan. - Jul. 2025)	
Occupancy				Average	Change	% Change
Total Beds/Units Available	54	54	54	54	-	-
Average Beds/Units Occupied	14	23	43	46	3	7.3%
Occupancy Rate (%)	26.4%	42.4%	79.3%	85.7%	-	7.3%
Rental Revenue/Occ Room/Month ($)	6,123	5,995	6,311	6,696	378	6.0%
Revenue/Occ Room/Month ($)	6,251	6,176	6,543	6,915	358	5.5%
Expenses/Occ Room/Month ($)	8,904	8,226	5,528	5,526	148	2.8%
NOI/Occ Room/Month ($)	(2,653)	(2,050)	1,015	1,389	210	17.8%
Revenue/Available Units/Month ($)	1,621	2,631	5,190	5,927	690	13.2%
Expenses/Available Units/Month ($)	2,308	3,504	4,385	4,738	453	10.6%
NOI/Available Units/Month ($)	(688)	(873)	805	1,189	237	24.9%
Year-Over-Year Change ($)		(185)	1,678			
Year-Over-Year Change (%)		(26.9%)	192.2%			
Revenues					*Variance*	
					(Jan. - Jul. 2024 to Jan. - Jul. 2025)	
Rental Income				2025 YTD Total	Change	% Change
Assisted Living Rental Income	$ -	$ -	$ -	$ -	$ -	
Memory Care Rental Income	1,028,738	1,654,661	3,243,668	2,169,494	260,791	13.7%
Total Rental Income	***$ 1,028,738***	***$ 1,654,661***	***$ 3,243,668***	***$ 2,169,494***	***$ 260,791***	***13.7%***
Other Income						
Care Revenues	$ -	$ -	$ -	$ 20,028	$ 20,028	100.0%
Community Fee	21,500	45,000	100,500	56,500	(8,000)	(12.4%)
Concessions	-	-	-	(5,903)	(5,903)	(100.0%)
Miscellaneous Income	-	5,037	18,900	200	(6,021)	(96.8%)
Total Other Income	***$ 21,500***	***$ 50,037***	***$ 119,400***	***$ 70,824***	***$ 103***	***0.1%***
TOTAL OPERATING REVENUE	***$ 1,050,238***	***$ 1,704,697***	***$ 3,363,068***	***$ 2,240,319***	***$ 260,894***	***13.2%***
Expenses						
Payroll & Employee Benefits	$ 815,096	$ 1,127,588	$ 1,632,480	$ 1,024,204	$ 86,389	9.2%
Sales and Marketing	91,293	225,424	225,589	128,686	(2,148)	(1.6%)
General and Administrative	213,526	192,362	217,632	152,674	45,222	42.1%
Dietary	26,673	176,052	143,314	106,141	19,896	23.1%
Housekeeping	4,340	8,569	24,354	13,421	(2,416)	(15.3%)
Activities and Resident Experiences	1,359	11,070	13,115	11,972	4,761	66.0%
Repairs and Maintenance	56,383	63,321	63,537	39,156	(164)	(0.4%)
Utilities	70,933	95,492	93,970	55,245	20,086	57.1%
Property Insurance	39,938	166,655	175,406	88,407	(14,172)	(13.8%)
Real Estate Taxes	84,000	85,300	75,715	51,408	1,498	3.0%
Property Manager Fee	92,333	118,546	176,318	119,483	12,316	11.5%
Total Operating Expenses	***$ 1,495,874***	***$ 2,270,379***	***$ 2,841,431***	***$ 1,790,797***	***$ 171,266***	***10.6%***
TOTAL OPERATING EXPENSES	***$ 1,495,874***	***$ 2,270,379***	***$ 2,841,431***	***$ 1,790,797***	***$ 171,266***	***10.6%***
NET OPERATING INCOME	***$ (445,637)***	***$ (565,681)***	***$ 521,637***	***$ 449,522***	***$ 89,627***	***24.9%***

Source: Derived from Trinity Investors, LLC. internal cash flow statements.
Note: 2025 YTD through July.

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Liana of Venice Historical Net Operating Income Statements

Liana of Venice Historical Financials Venice, Florida						
					Variance	
	2022 Total	*2023 Total*	*2024 Total*	*2025 YTD*	(Jan. - Jul. 2024 to Jan. - Jul. 2025)	
Occupancy				Average	Change	% Change
Total Beds/Units Available	54	54	54	54	-	-
Average Beds/Units Occupied	40	47	51	47	(3)	(6.0%)
Occupancy Rate (%)	73.4%	86.6%	93.7%	86.8%	-	(6.0%)
Rental Revenue/Occ Room/Month ($)	5,409	5,978	6,217	6,485	340	5.5%
Revenue/Occ Room/Month ($)	5,567	6,144	6,335	6,758	471	7.5%
Expenses/Occ Room/Month ($)	4,868	5,034	4,957	5,111	131	2.6%
NOI/Occ Room/Month ($)	699	1,110	1,378	1,647	340	26.0%
Revenue/Available Units/Month ($)	4,124	5,348	5,934	5,858	54	0.9%
Expenses/Available Units/Month ($)	3,606	4,381	4,643	4,424	(168)	(3.7%)
NOI/Available Units/Month ($)	518	966	1,291	1,434	222	18.3%
Year-Over-Year Change ($)		448	325			
Year-Over-Year Change (%)		86.5%	33.6%			
Revenues					*Variance*	
					(Jan. - Jul. 2024 to Jan. - Jul. 2025)	
Rental Income				2025 YTD Total	Change	% Change
Assisted Living Rental Income	$ -	$ -	$ -	$ -	$ -	
Memory Care Rental Income	2,596,149	3,371,680	3,773,486	2,126,958	(18,497)	(0.9%)
Total Rental Income	***$ 2,596,149***	***$ 3,371,680***	***$ 3,773,486***	***$ 2,126,958***	***$ (18,497)***	***(0.9%)***
Other Income						
Care Revenues	$ -	$ -	$ -	$ -	$ -	
Community Fee	76,000	76,500	69,532	66,000	18,968	40.3%
Concessions	(400)	-	-	(8,023)	(8,023)	(100.0%)
Miscellaneous Income	400	17,050	2,271	29,227	27,823	1983.1%
Total Other Income	***$ 76,000***	***$ 93,550***	***$ 71,803***	***$ 87,203***	***$ 38,768***	***80.0%***
TOTAL OPERATING REVENUE	***$ 2,672,149***	***$ 3,465,230***	***$ 3,845,288***	***$ 2,214,162***	***$ 20,271***	***0.9%***
Expenses						
Payroll & Employee Benefits	$ 1,528,667	$ 1,671,982	$ 1,800,372	$ 931,759	$ (129,106)	(12.2%)
Sales and Marketing	86,733	119,812	165,796	157,329	85,598	119.3%
General and Administrative	80,876	138,017	205,928	127,584	7,099	5.9%
Dietary	235,597	290,667	199,115	85,204	(46,416)	(35.3%)
Housekeeping	13,542	13,128	5,884	5,340	1,726	47.8%
Activities and Resident Experiences	10,028	8,301	7,420	5,099	(60)	(1.2%)
Repairs and Maintenance	44,729	66,412	57,311	14,801	(21,887)	(59.7%)
Utilities	76,164	101,167	96,433	63,587	15,197	31.4%
Property Insurance	51,928	143,309	198,429	117,195	4,253	3.8%
Real Estate Taxes	76,800	88,522	94,634	51,072	1,491	3.0%
Property Manager Fee	131,427	197,780	177,280	113,221	18,519	19.6%
Total Operating Expenses	***$ 2,336,490***	***$ 2,839,097***	***$ 3,008,603***	***$ 1,672,190***	***$ (63,586)***	***(3.7%)***
TOTAL OPERATING EXPENSES	***$ 2,336,490***	***$ 2,839,097***	***$ 3,008,603***	***$ 1,672,190***	***$ (63,586)***	***(3.7%)***
NET OPERATING INCOME	***$ 335,658***	***$ 626,133***	***$ 836,685***	***$ 541,971***	***$ 83,857***	***18.3%***

Source: Derived from Trinity Investors, LLC. internal cash flow statements.
Note: 2025 YTD through July.

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Sage Lake Senior Living Historical Net Operating Income Statements

Sage Lake Senior Living Historical Financials Covington, Louisiana						
	2022 Total	*2023 Total*	*2024 Total*	*2025 YTD*	*Variance* (Jan. - Jul. 2024 to Jan. - Jul. 2025)	
Occupancy				Average	Change	% Change
Total Beds/Units Available	82	82	82	82	-	-
Average Beds/Units Occupied	79	80	77	80	4	5.9%
Occupancy Rate (%)	96.6%	97.4%	93.4%	97.4%	-	5.9%
Rental Revenue/Occ Room/Month ($)	4,139	4,293	4,446	4,870	498	11.4%
Revenue/Occ Room/Month ($)	4,630	4,991	5,330	5,824	561	10.7%
Expenses/Occ Room/Month ($)	3,285	3,473	3,775	3,771	(7)	(0.2%)
NOI/Occ Room/Month ($)	1,344	1,518	1,555	2,053	568	38.3%
Revenue/Available Units/Month ($)	4,460	4,869	4,978	5,669	828	17.1%
Expenses/Available Units/Month ($)	3,165	3,388	3,526	3,669	195	5.6%
NOI/Available Units/Month ($)	1,295	1,481	1,452	2,001	632	46.2%
Year-Over-Year Change ($)		186	(29)			
Year-Over-Year Change (%)		14.3%	(2.0%)			
Revenues					*Variance* (Jan. - Jul. 2024 to Jan. - Jul. 2025)	
Rental Income				2025 YTD Total	Change	% Change
Assisted Living Rental Income	$ 2,868,883	$ 3,117,538	$ 2,930,124	$ 1,970,946	$ 327,316	19.9%
Memory Care Rental Income	1,054,435	1,003,362	1,155,801	750,663	86,168	13.0%
Total Rental Income	***$ 3,923,318***	***$ 4,120,900***	***$ 4,085,925***	***$ 2,721,609***	***$ 413,484***	***17.9%***
Other Income						
Care Revenues	$ 638,675	$ 723,250	$ 688,767	$ 419,414	$ 20,665	5.2%
Community Fee	62,150	76,145	99,200	73,800	26,100	54.7%
Concessions	(287,097)	(172,670)	(53,084)	(24,027)	(9,940)	70.6%
Miscellaneous Income	51,917	43,922	77,419	63,353	24,733	64.0%
Total Other Income	***$ 465,645***	***$ 670,647***	***$ 812,302***	***$ 532,540***	***$ 61,558***	***13.1%***
TOTAL OPERATING REVENUE	***$ 4,388,963***	***$ 4,791,547***	***$ 4,898,227***	***$ 3,254,149***	***$ 475,042***	***17.1%***
Expenses						
Payroll & Employee Benefits	$ 1,567,834	$ 1,723,262	$ 1,875,460	$ 1,087,958	$ (7,456)	(0.7%)
Sales and Marketing	19,188	12,243	79,732	54,287	17,812	48.8%
General and Administrative	84,011	154,931	258,018	217,358	101,006	86.8%
Dietary	498,624	501,995	322,356	153,660	(57,859)	(27.4%)
Housekeeping	26,976	26,942	26,715	12,692	(3,101)	(19.6%)
Activities and Resident Experiences	41,276	62,767	39,438	25,488	6,802	36.4%
Repairs and Maintenance	75,267	61,216	113,359	85,949	30,008	53.6%
Utilities	169,158	162,395	160,530	104,536	10,697	11.4%
Property Insurance	208,144	178,491	155,804	71,873	(16,431)	(18.6%)
Real Estate Taxes	206,158	211,070	195,783	117,633	(7,534)	(6.0%)
Property Manager Fee	217,743	238,817	242,198	174,412	38,170	28.0%
Total Operating Expenses	***$ 3,114,380***	***$ 3,334,129***	***$ 3,469,392***	***$ 2,105,847***	***$ 112,113***	***5.6%***
TOTAL OPERATING EXPENSES	***$ 3,114,380***	***$ 3,334,129***	***$ 3,469,392***	***$ 2,105,847***	***$ 112,113***	***5.6%***
NET OPERATING INCOME	***$ 1,274,583***	***$ 1,457,418***	***$ 1,428,835***	***$ 1,148,302***	***$ 362,929***	***46.2%***

Source: Derived from Trinity Investors, LLC. internal cash flow statements.

Note: 2025 YTD through July.

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APPENDIX A-2

ALPHA LIFESTYLE PARTNERS ACQUISITION COMBINED FINANCIAL STATEMENTS

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ALPHA LIFESTYLE PARTNERS ACQUISITION

COMBINED FINANCIAL STATEMENTS
December 31, 2024

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ALPHA LIFESTYLE PARTNERS ACQUISITION

COMBINED FINANCIAL STATEMENTS
December 31, 2024

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Crowe LLP
Independent Member Crowe Global

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Members
Trinity Investors, LLC
Southlake, Texas 76092

Management is responsible for the accompanying combined financial statements of Alpha Lifestyle Partners Acquisition (the combined presentation of acquisition entities under common control), which comprise the combined balance sheet as of December 31, 2024 and the related combined statements of operations, changes in members' deficit and cash flows for the year then ended, and the combined selected information in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the combined financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these combined financial statements.

Management has elected to omit substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the combined financial statements, they might influence the user's conclusions about the entity's financial position, results of operations, changes in members' deficit, and cash flows. Accordingly, the combined financial statements are not designed for those who are not informed about such matters.

Crowe LLP

Crowe LLP

Washington, D.C.
August 26, 2025

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ALPHA LIFESTYLE PARTNERS ACQUISITION
COMBINED BALANCE SHEET
December 31, 2024

ASSETS	
Cash and cash equivalents	$ 224,405
Accounts receivable, net of allowance for credit losses	142,765
Prepaid expenses	282,219
Due from related parties	365,271
Due from third parties	26,537
Other assets	31,900
Assets limited as to use	392,410
Property and equipment	
Land	3,982,219
Building and building improvements	35,641,476
Furnishings and equipment	1,110,390
Motor vehicles	56,053
Construction in process	4,000
Total property and equipment	40,794,138
Less: accumulated depreciation	(9,664,960)
Net property and equipment	31,129,178
Total assets	$ 32,594,685
LIABILITIES AND MEMBERS' DEFICIT	
LIABILITIES	
Accounts payable	$ 1,430,777
Accrued property taxes	244,659
Accrued interest payable	848,437
Other accrued expenses	227,609
Deferred income	61,091
Mortgage payable, net of unamortized costs	32,286,552
Note payable	2,279,047
Due to related parties	256,597
Other liabilities	137,267
Total liabilities	37,772,036
MEMBERS' DEFICIT	(5,177,351)
Total liabilities and net assets	$ 32,594,685

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See accompanying independent accountant's compilation report and combined selected information (substantially all disclosures required by accounting principles generally accepted in the United States of America have been omitted).

ALPHA LIFESTYLE PARTNERS ACQUISITION
COMBINED STATEMENT OF OPERATIONS
Year ended December 31, 2024

REVENUES	
Rental revenue - gross potential	$ 11,119,049
Vacancies and concessions	(63,476)
Net rent revenue	11,055,573
Care and ancillary revenue	1,042,037
Total revenues	12,097,610
EXPENSES	
Salaries and benefits	5,311,478
Resident and food services	553,169
Utilities and media	354,311
Contracted services	219,839
Marketing and promotion	119,438
Professional and legal fees	2,867
Insurance	555,302
Repairs and maintenance	192,000
General and administrative	829,989
Supplies	260,547
Real estate taxes	366,132
Management fees	615,821
Asset management fees	96,486
Bad debts	20,447
Depreciation and amortization	1,504,572
Interest expense	1,946,963
Incidental expenses	43,032
Transition costs	191,052
Other expenses	14,126
Total expense	13,197,571
NET LOSS	$ (1,099,961)

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See accompanying independent accountant's compilation report and combined selected information (substantially all disclosures required by accounting principles generally accepted in the United States of America have been omitted).

ALPHA LIFESTYLE PARTNERS ACQUISITION
COMBINED STATEMENT OF CHANGES IN MEMBERS' DEFICIT
Year ended December 31, 2024

MEMBERS' DEFICIT JANUARY 1, 2024	$ (4,066,075)
Contributions	29,355
Distributions	(40,670)
Net loss	(1,099,961)
MEMBERS' DEFICIT DECEMBER 31, 2024	$ (5,177,351)

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See accompanying independent accountant's compilation report and combined selected information (substantially all disclosures required by accounting principles generally accepted in the United States of America have been omitted).

ALPHA LIFESTYLE PARTNERS ACQUISITION
COMBINED STATEMENT OF CASH FLOWS
Year ended December 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net loss	$ (1,099,961)
Adjustments to reconcile net loss	
to net cash from operating activities:	
Depreciation and amortization	1,504,572
Changes in assets and liabilities	
Accounts receivable	(37,252)
Prepaid expenses	(25,694)
Other assets	(31,900)
Due from related parties	(299,536)
Due from third parties	(26,537)
Accounts payable	150,051
Other accrued expenses	78,894
Accrued property taxes	244,659
Accrued interest payable	226,350
Tenant security deposits	(450)
Deferred income	53,585
Due to related parties	(60,718)
Other liabilities	(107,595)
Net cash from operations	568,468
CASH FLOWS FROM INVESTING ACTIVITIES	
Acquisition of property and equipment	(189,070)
Net cash used by investing activities	(189,070)
CASH FLOWS FROM FINANCING ACTIVITIES	
Distribution to members	(40,670)
Contribution from members	29,355
Deferred financing cost	(25,690)
Payments on mortgage and notes payable	(392,535)
Proceeds from mortgage and notes payable	119,104
Net cash used in financing activities	(310,436)
NET CHANGE IN CASH AND CASH EQUIVALENTS	68,962
Cash and restricted cash - beginning of year	155,443
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 224,405
Cash	$ 224,405
Total cash and cash equivalents	$ 224,405
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:	
Cash paid for interest	$ 1,720,613

See accompanying independent accountant's compilation report and combined selected information (substantially all disclosures required by accounting principles generally accepted in the United States of America have been omitted).

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SELECTED INFORMATION – SUBSTANTIALLY ALL DISCLOSURES REQUIRED BY ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA HAVE BEEN OMITTED

Principles of Combination: The accompanying combined financial statements of Alpha Lifestyle Partners Acquisition. include three Senior Living Communities located in United States, and consist of the following:

- ALP Naples, LLC
- ALP Venice, LLC
- ALP Covington, LLC

The Senior Living Communities (combined as Alpha Lifestyle Partners Acquisition) are commonly controlled by the General Partner of all locations.

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APPENDIX A-3

JUNE 2025 APPRAISAL RELATED TO FAIRWAYS AT NAPLES

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NEWMARK VALUATION & ADVISORY

The Fairways of Naples

3053 Airport-Pulling Rd N
Naples, Florida 34105

Newmark File No: 25-0228959

Appraisal Report As of

June 19, 2025

Prepared For

Mr. Peter Czajkowski
Stifel, Nicolaus & Company, Incorporated
501 N Broadway St
St. Louis, MO 63102

Prepared By:

Newmark Valuation & Advisory
4221 W Boy Scout Blvd, Suite 440
Tampa, Florida 33607

NEWMARK

June 19, 2025

Mr. Peter Czajkowski
Stifel, Nicolaus & Company, Incorporated
501 N Broadway St
St. Louis, MO 63102

Re: Appraisal of The Fairways of Naples located at
3053 Airport-Pulling Rd N, Naples, Florida 34105
Newmark File No: 25-0228959

Dear Mr. Czajkowski:

The subject property is The Fairways of Naples, a memory care residence. The subject's site contains 8.90± acres (387,684+ square feet) of land area. Built in 2021, the subject is comprised of 50-units, 50-beds with 36,946± square feet of gross building area. The improvements are generally of above average quality as well as have been well-maintained and are considered to be in above average physical condition. Overall, the facility is of a modern design and has good functionality for a seniors housing use.

The subject property was physically inspected on March 19, 2024. Our current analysis reflects a date of value of June 19, 2025. As such, while our physical observations of the property are based on the March 2024 inspection, all valuation conclusions are as of the effective date of the report. We have assumed that the property has not experienced any significant physical changes since the date of inspection.

At your request, we have prepared an appraisal of The Fairways of Naples. The purpose of this appraisal is to estimate the market value of the Fee Simple interest of the total assets of the business (TAB) including real and personal property, which reflects its present condition and occupancy rate and assumes prudent marketing and management.

The property has been appraised based on the total assets of the business and assumes a sale, which includes the transfer of a valid operating license, an assembled workforce, and the transfer of all business assets necessary for the operation of a licensed health care facility and typically transferred with the sale of a property like the subject. However, the business assets specifically exclude items that do not typically transfer such as holdings or investments, working capital, accounts receivable, and accounts payable, that are distinctly separate from the real estate.

We have appraised the subject as a going concern entity as its real and personal property are supportive of and tied to an ongoing business operation. Our market value conclusion is inclusive of real property, business personal property (FF&E), and intangible items (i.e. license, certificate of need, assembled workforce, goodwill, etc.) that are a byproduct of operations of the subject as a going concern business entity. This appraisal assumes that the subject property will continue to operate as a going concern. In any event that the subject property ceases its current operations, then the value of any or all of the components may be less than our conclusions within this report. Furthermore, these allocations are not reflective of the value of each component on a standalone basis. The exclusion of any one of the components from the going concern would render these individual allocations invalid.

We certify that we have no present or contemplated future interest in the property beyond this estimate of value. Your attention is directed to the Limiting Conditions and Assumptions section of this report. Acceptance of this report constitutes an agreement with these conditions and assumptions.

SWOT BULLETS

- High interest rates depressed CRE activity but the recent reduction by the Federal Reserve and additional expected reductions are introducing optimism into the market.
- The easing of inflation, continued consumer spending, and solid job growth have continued to keep the economy growing despite higher interest rates to this point.
- There have been some signs of increased CRE activity stemming from moderation in interest rates, adjustments by buyers and sellers to the economic environment, and an easing of credit restrictions. But distress in the CRE market, particularly in the office sector, remains a drag on CRE performance.

NATIONAL TRENDS AND UNCERTAINTIES

The Federal Reserve engineered the fastest increase in interest rates in their history, bringing the target federal funds rate to a high of 5.25-5.50% as of July 2023. However, in September 2024, the Fed began reversing course with a 50-basis point reduction. The 10-year Treasury, which is foundational to commercial real estate, rose to levels last seen in 2007 by October 2023, but has since trended downward. Credit tightening, which included wider credit spreads and lower loan-to-value ratios, arose due to uncertain economic outlooks, deterioration in real estate collateral values, and concerns about bank liquidity. Coinciding with higher interest rates, capitalization rates rose quickly, and bid-ask spreads widened. While these trends have moderated, they are still prevalent and remain major drivers of current CRE market conditions.

The Federal Reserve maintained interest rates at this range until the September 2024 FOMC meeting, at which point a 50-basis point reduction was applied, due to leveling inflation rates. Further rate cuts in the coming months are expected.

Investors are adjusting to the new reality by modifying their investment strategies, leading to a narrowing of the bid-ask spread. While transaction volume for 2024 remains below 2023 levels, there are bright spots, such as multifamily sales volume in 2Q24 reaching the highest level since 4Q22. Real Capital Analytics has observed that CRE property prices have started to inch higher again, despite the impacts of high borrower rates. At the same time, RCA notes that distress continues to rise, with office properties leading the way and accounting for 40-45% of the total value of distressed assets. Although commercial real estate transaction volumes remain anemic, capitalization rates have stabilized. The Federal Reserve Beige Book reported that investment sales activity was flat across most regions, continuing prior trends. However, some signs of improvement are noted as "realistic" seller expectations are emerging, implying falling prices.

It will take time for the effects of higher interest rates to reverse. While opportunities are emerging since sales of distressed properties have increased, it is noted that distressed sales still account for only a small percentage of the total deal volume (about 5%). Interest rates have declined from their peak in October 2023, and debt market conditions have improved. Additional rate cuts by the Fed will likely have positive effects on CRE, impacting both prices and debt favorably. We have considered and will address these issues throughout this appraisal and report, including in our determinations of overall capitalization rates, discount rates, market rent assumptions, market conditions adjustments, and growth of rents and expenses where applicable.

Seniors Housing Trends and Uncertainties

- **Rising Operating Costs:** Labor shortages and increased wages continue to pressure operating margins across the senior housing sector. Although demand has rebounded post-COVID, particularly as occupancy levels begin to recover, many operators are still navigating a high-cost environment. Staffing remains the most significant expense, with persistent competition for qualified caregivers driving up wages and turnover-related costs. In addition, insurance premiums have risen due to increased liability risks and natural disaster exposures, while supply chain disruptions have led to higher prices for food, medical supplies, and maintenance materials. These challenges have made it difficult for many facilities to regain pre-pandemic profitability, even as revenue improves. Operators are responding by exploring operational efficiencies, leveraging technology, and, in some cases, adjusting pricing models to preserve margins.
- **Operator Performance Disparity:** The senior housing market continues to exhibit a notable bifurcation in operator performance. High quality operators with experienced management teams, strong staffing levels, and a demonstrated focus on resident satisfaction are outperforming peers across key metrics, including occupancy, resident retention, and financial stability. These operators are often better positioned to adapt to rising costs and labor constraints, and they tend to benefit from positive word-of-mouth and stronger referral networks. In contrast, underperforming operators are struggling to stabilize census and meet financial targets. This divergence has prompted investors to place heightened emphasis on operator quality.
- **Increased Demand from Aging Baby Boomers:** The aging of the baby boomer generation is driving an anticipated surge in demand for senior housing. This demographic wave is expected to continue gaining momentum throughout the next decade, fueling long-term growth across independent living, assisted living, and memory care segments. However, despite this rising demand there is growing uncertainty around affordability, particularly for middle-market seniors who fall between qualifying for Medicaid and being able to afford premium private pay communities. Addressing this affordability gap will be a key challenge for the industry as it prepares for the full impact of the baby boomer cohort.

MARKET VALUE AS IS - (TAB)

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, we have developed an opinion that the "As Is" market value of the total assets of the business (TAB) including real and personal property of this specific asset in Fee Simple interest, as of June 19, 2025, was:

$15,700,000

Our concluded value is allocated as follows:

ALLOCATION CONCLUSION - AS IS	
Component	**Allocated Value**
Market Value (TAB)	$15,700,000
Allocated Value of Real Property	$14,300,000
Allocated Value of FF&E	$300,000
Allocated Value of the Intangibles	$1,100,000

AS IF TAX EXEMPT - (TAB)

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, we have developed an opinion that the "As if Tax Exempt" value of the total assets of the business (TAB) including real and personal property, as of June 19, 2025, will be:

$17,000,000

ALLOCATION CONCLUSION - AS IF TAX EXEMPT	
Component	**Allocated Value**
Market Value (TAB)	$17,000,000
Allocated Value of Real Property	$15,400,000
Allocated Value of FF&E	$300,000
Allocated Value of the Intangibles	$1,300,000

Extraordinary Assumptions

An extraordinary assumption is defined in USPAP as an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results.

- It is an extraordinary assumption of this report that the subject property has not undergone any material physical changes since the inspection conducted on March 19, 2024. The effective date of value is June 19, 2025, and this valuation is based on the condition of the property as observed during the inspection. Should any physical characteristics of the property have changed between the date of inspection and the effective date of value, the conclusions contained herein could be impacted.

Hypothetical Conditions

A hypothetical condition is defined in USPAP as a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis. The value conclusions are based on the following hypothetical conditions that may affect the assignment results.

- The as is tax exempt value results within this appraisal report are predicated on a hypothetical condition that the subject property is tax exempt due to not-for-profit status.

Prior Services

Newmark previously conducted an appraisal of the subject property with the following value conclusions:

- Market Value As Is: March 19, 2024: $15,600,000
- As If Tax Exempt: March 19, 2024: $17,000,000

The appraisal was developed based on, and this report has been prepared in conformance with the Client's appraisal requirements, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, Title XI of the Financial Institution Reform, Recovery and Enforcement Act (FIRREA) of 1989, and the Interagency Appraisal and Evaluation Guidelines (December 2, 2010).

Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions, and conclusions.

3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

7. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, as well as the requirements of the State of Florida.

9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

11. As of the date of this report, Norman W. LeZotte, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.

12. Patrick R. Murphy made a personal inspection of the property that is the subject of this report.

13. No one provided significant real property appraisal assistance to the person(s) signing this certification.

14. The Firm operates as an independent economic entity. Although employees of other service lines or affiliates of the Firm may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy were maintained at all times with regard to this assignment without conflict of interest.

15. Within this report, "Newmark ", "Newmark Valuation & Advisory", "Newmark, Inc.", and similar forms of reference refer only to the appraiser(s) who have signed this certification and any persons noted above as having provided significant real property appraisal assistance to the persons signing this report.

16. Patrick R. Murphy has performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment. The services include one appraisal within the past three years. Norman W. LeZotte, MAI has not performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.

Norman W. LeZotte, MAI
Regional Managing Director
Florida State Certified General
License No. Cert Gen RZ4003
Telephone: 404-965-6285
Email: Norm.LeZotte@nmrk.com

Patrick R. Murphy
Senior Appraiser
Florida State Certified General
License No. Cert Gen RZ4537
Telephone: 813-262-2536
Email: Patrick.Murphy@nmrk.com

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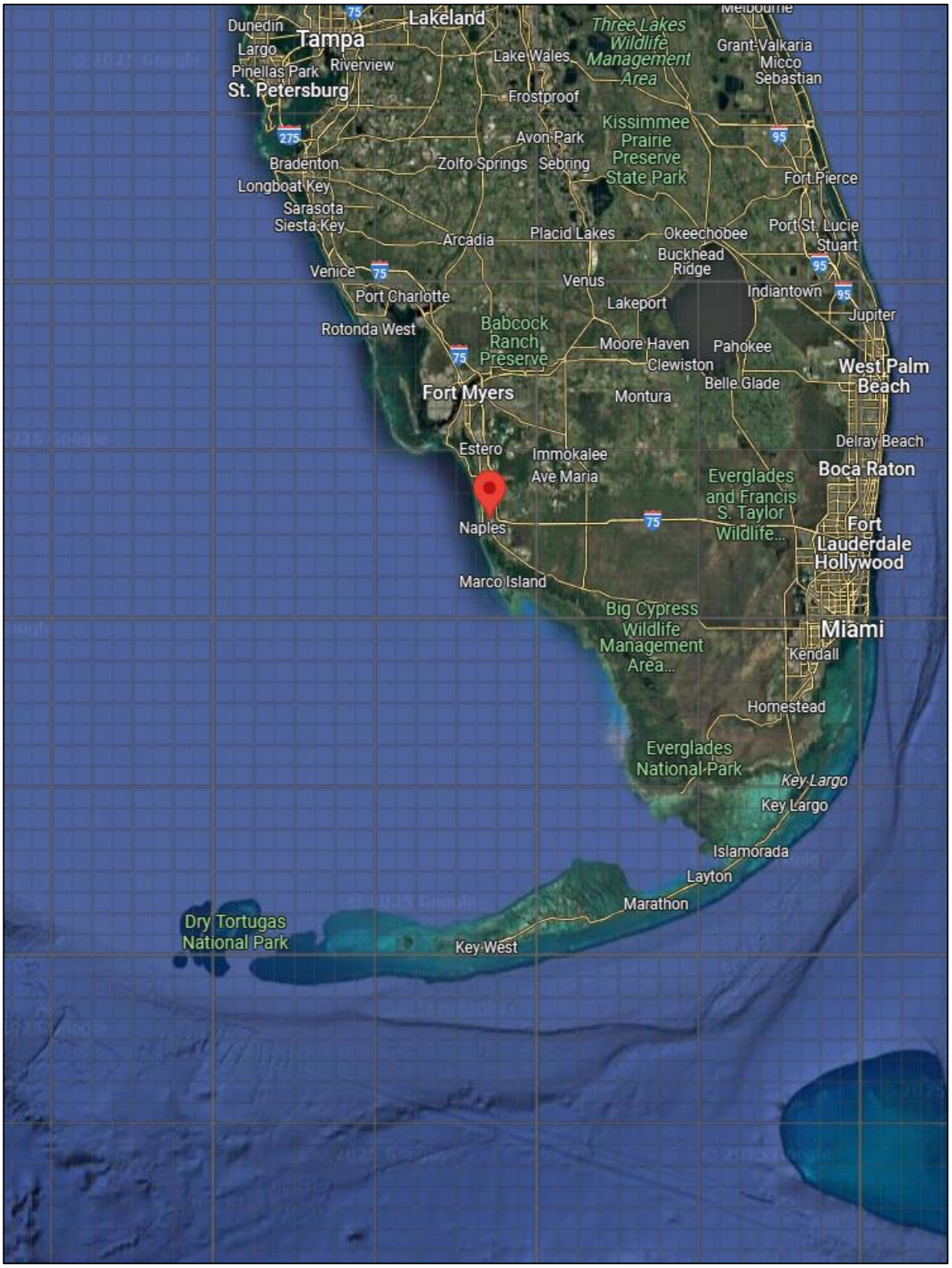
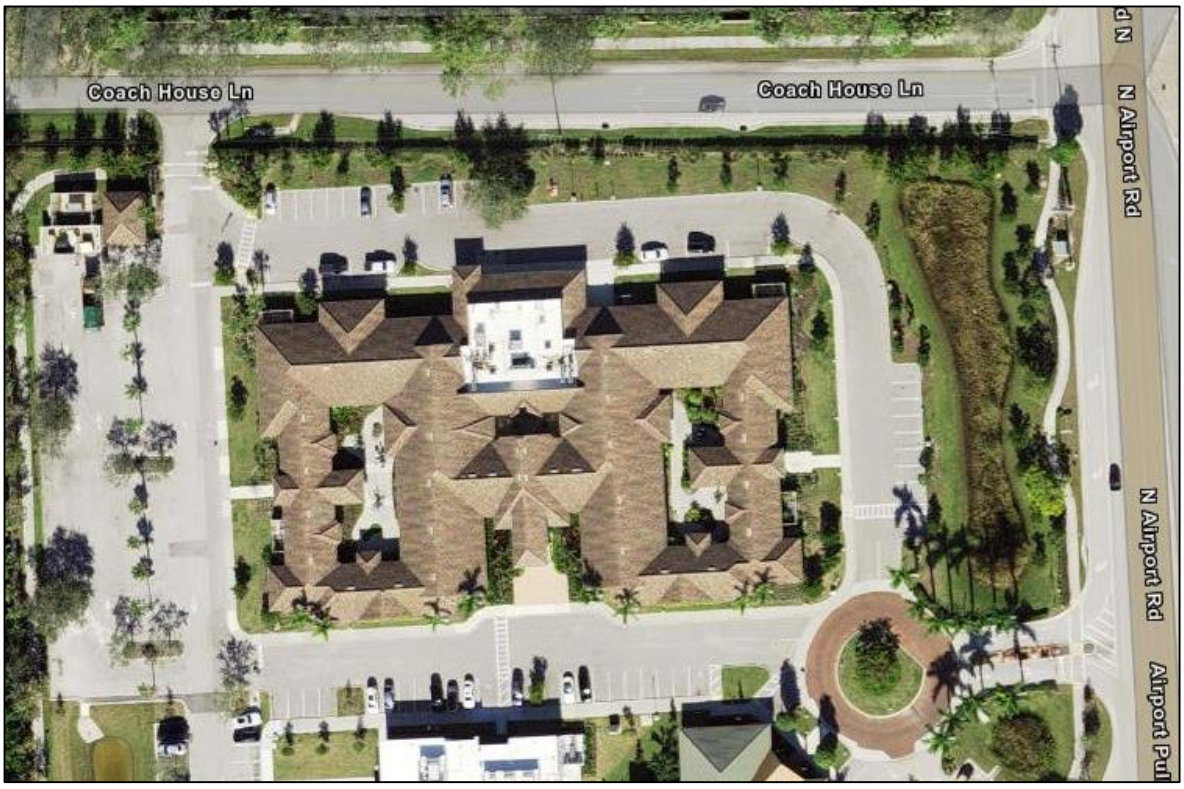
SUBJECT LOCATION MAP



SUBJECT PHOTOGRAPHS

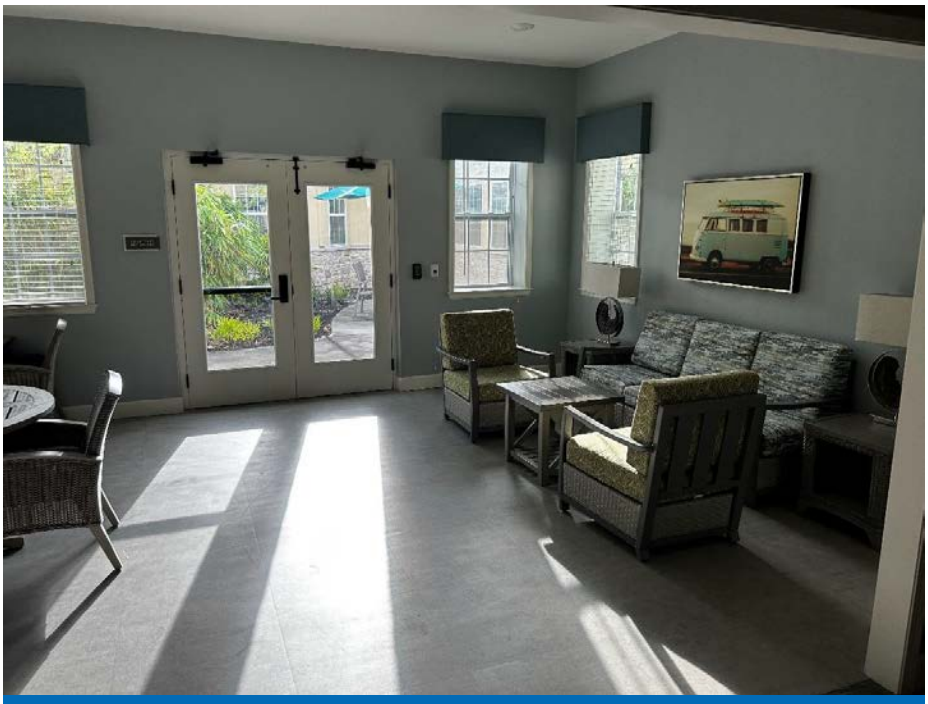


AERIAL PHOTOGRAPH OF THE SUBJECT

- The following photos were taken on March 19, 2024

FRONT ELEVATION OF THE SUBJECT IMPROVEMENTS

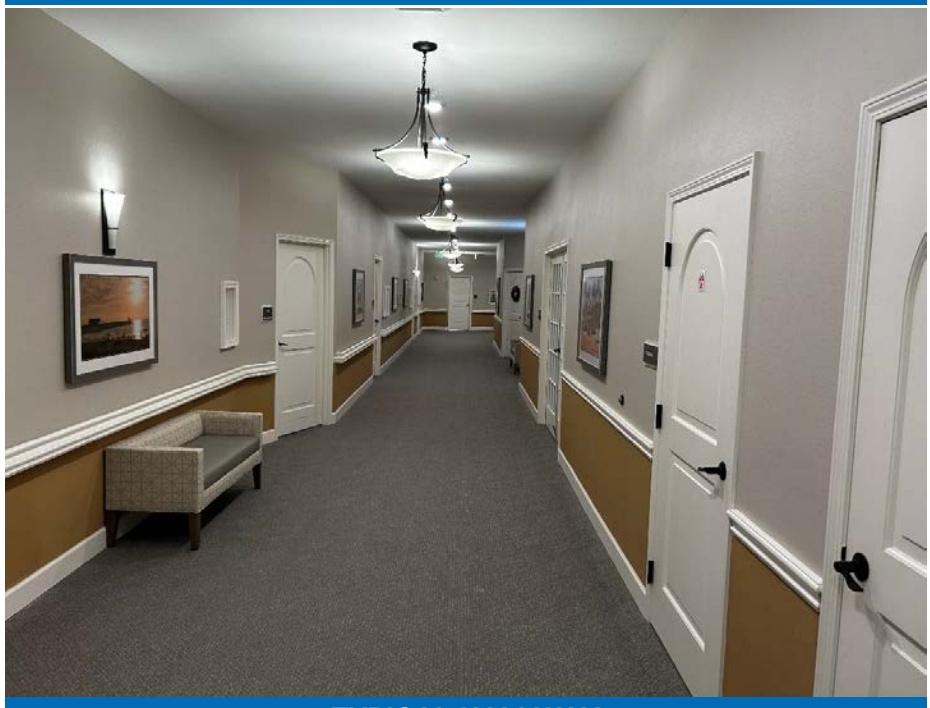
ENTRANCE LOBBY



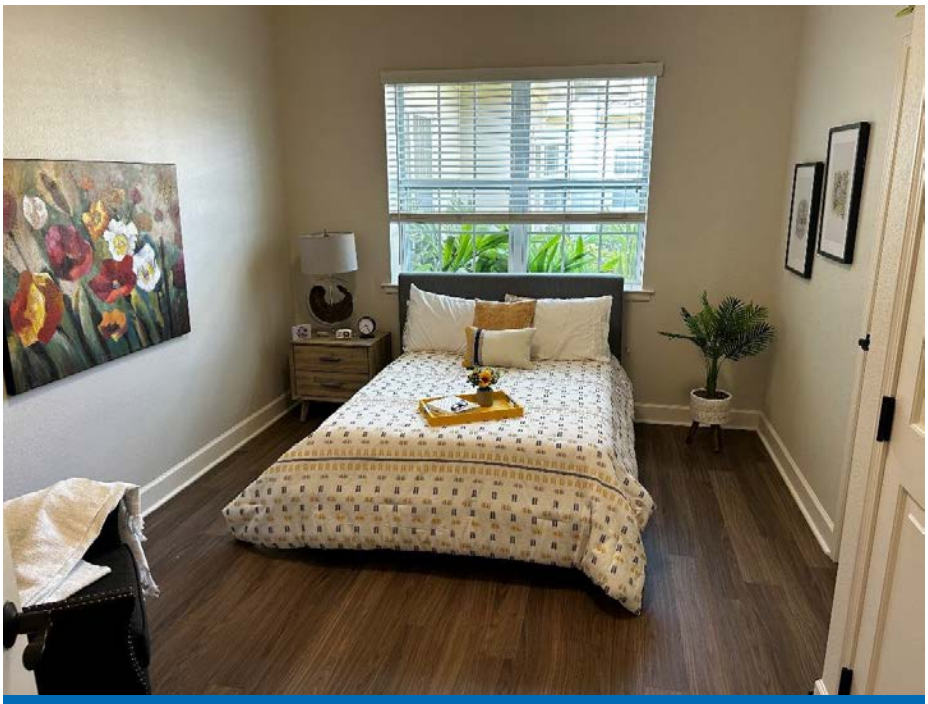
RESIDENT LOUNGE

MAIN DINING AREA

COMMERCIAL KITCHEN

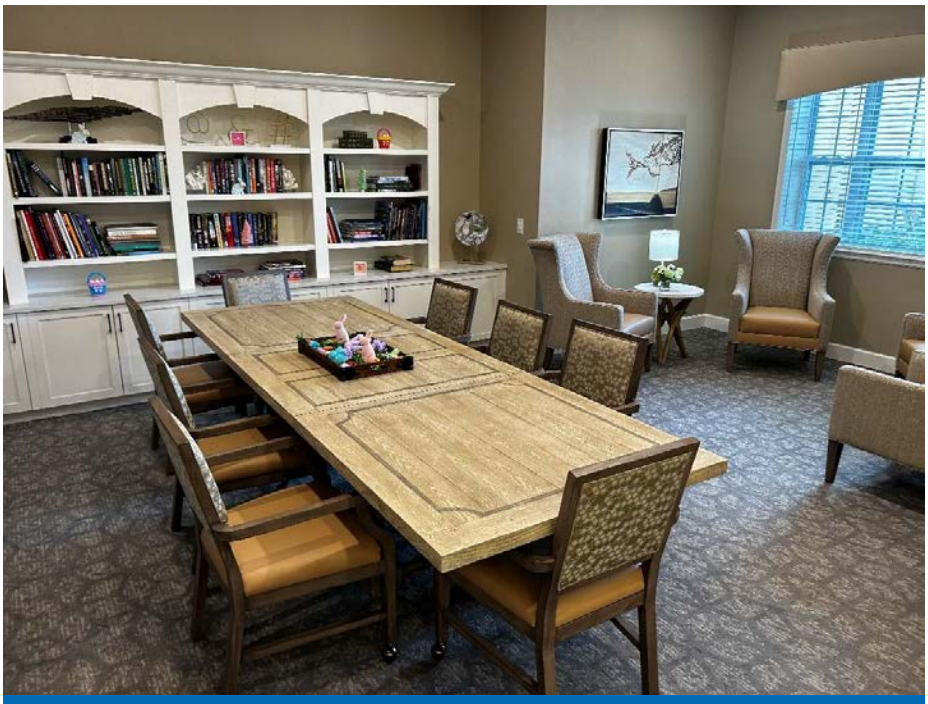


TYPICAL HALLWAY



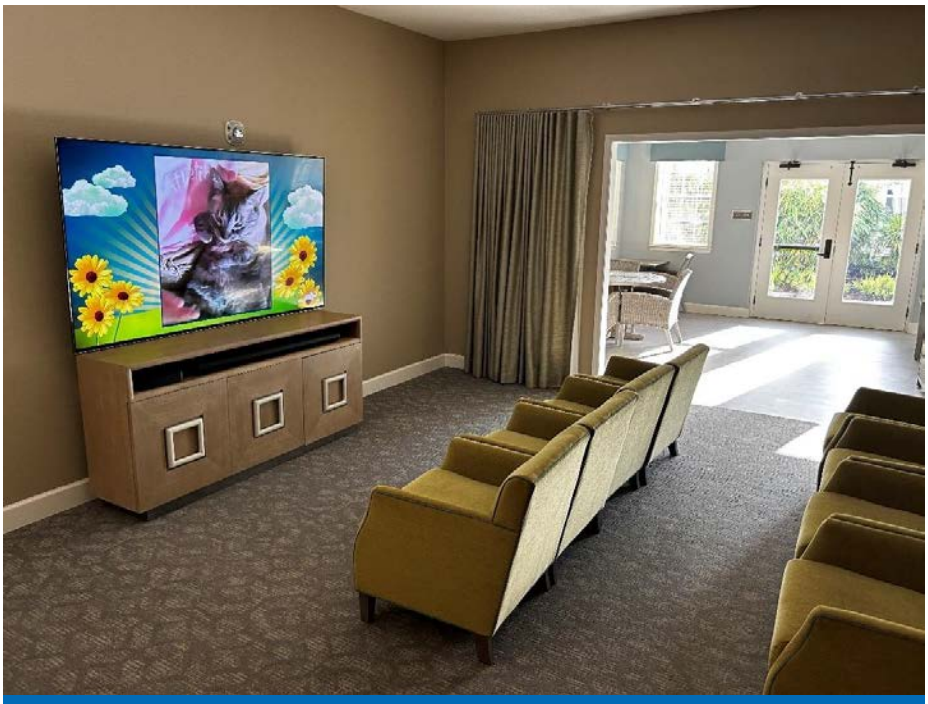
TYPICAL RESIDENT BEDROOM

TYPICAL RESIDENT BATHROOM



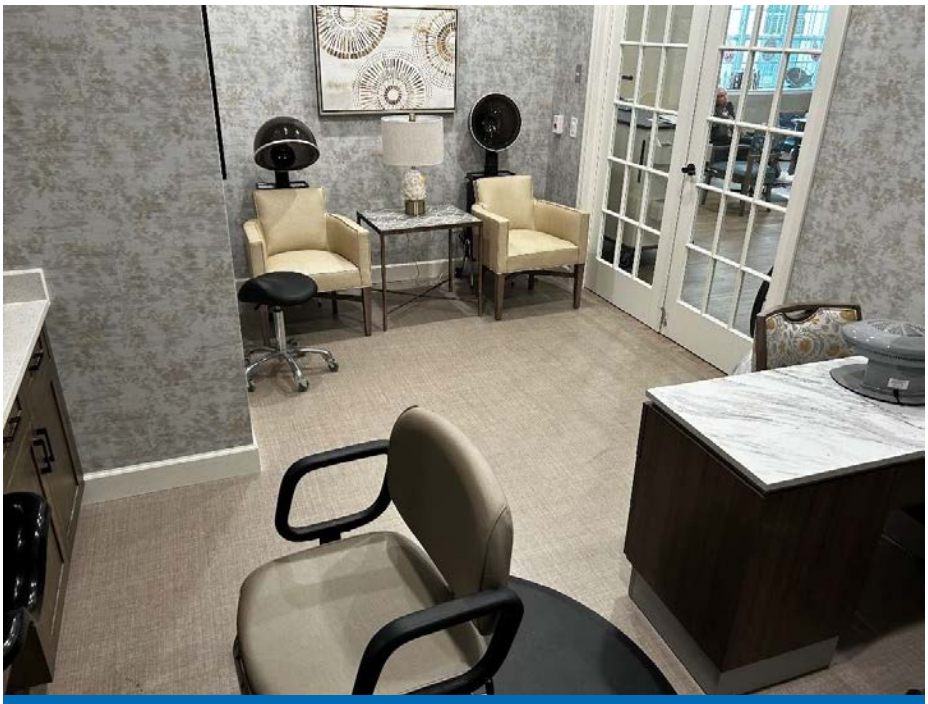
LIBRARY

LAUNDRY



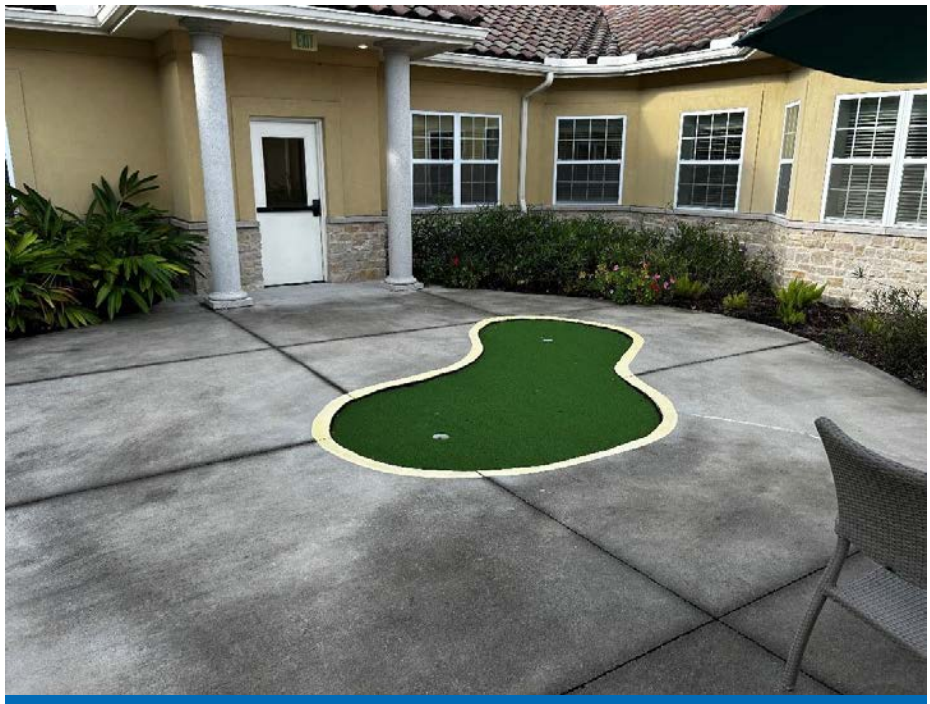
COMMON AREA

PRIVATE DINING AREA



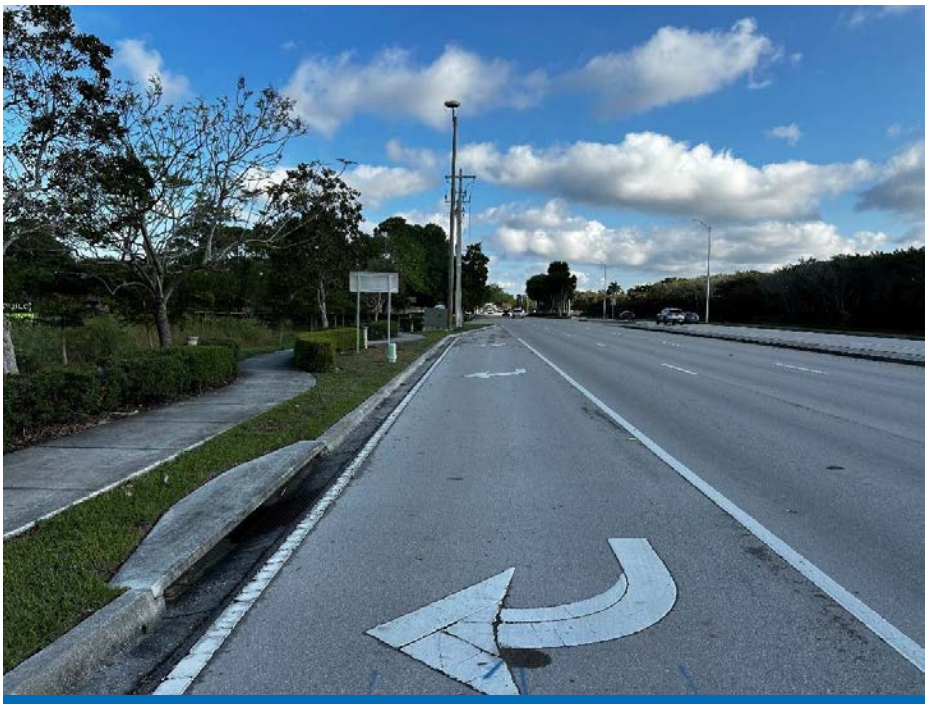
SALON

COURTYARD



PUTTING GREEN

BACK EXTERIOR



STREETVIEW LOOKING NORTH ON AIRPORT-PULLING ROAD

STREETVIEW LOOKING SOUTH ON AIRPORT-PULLING ROAD

Executive Summary

General Identification of Property	
Property Name:	The Fairways of Naples
Property Location:	3053 Airport-Pulling Rd N, Naples, Collier County, Florida 34105
Legal Description:	A legal description is included in the addenda of this report.
Assessor Identification Number:	25347000065

Ownership History	
Ownership:	Naples Memory Care 2 LLC
Sale History:	No sales involving the subject have been recorded during the prior three years. Additionally, we are not aware of any current agreements of sale, options, or listings relating to the subject property.
Lease/Service Agreements:	Not applicable.

Property Description	
Land Area (Total):	387,684± square feet (8.90± acres)
Zoning:	C-3 (Commercial)
Improvement Type:	Memory Care Residence
Year Built:	2021
Number of Stories:	One

Licensed Capacity:

License Capacity	
Memory Care:	60 Beds
Total	**60 Beds**

Operating Capacity:

Operating Capacity	
Memory Care:	50 Beds
Total	**50 Beds**

Current Occupancy:

Occupancy	
Memory Care:	92%
Total	**92%**

Gross Building Area (GBA): 36,946± square feet

Quality of Improvements:	Above Average
Condition of Improvements:	Above Average

Exposure Time and Marketing Time

Exposure Time:	9 months
Marketing Time:	9 months

Highest and Best Use

As Vacant:	For Immediate development with a senior housing use
As Improved:	As currently improved

Value Indications

Date of Report:	June 19, 2025
Date of Property Inspection:	March 19, 2024
Property Interest Appraised:	Fee Simple Interest

Value Premises	Effective Date	Sales Comparison	Income Capitalization	Conclusion
As Is (TAB)	June 19, 2025	$15,500,000	$15,700,000	**$15,700,000**
As Is (TAB) - Tax Exempt	June 19, 2025	–	$17,700,000	**$17,700,000**

Extraordinary Assumptions

An extraordinary assumption is defined in USPAP as an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results.

- It is an extraordinary assumption of this report that the subject property has not undergone any material physical changes since the inspection conducted on March 19, 2024. The effective date of value is June 19, 2025, and this valuation is based on the condition of the property as observed during the inspection. Should any physical characteristics of the property have changed between the date of inspection and the effective date of value, the conclusions contained herein could be impacted.

Hypothetical Conditions

A hypothetical condition is defined in USPAP as a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis. The value conclusions are based on the following hypothetical conditions that may affect the assignment results.

- The as is tax exempt value results within this appraisal report are predicated on a hypothetical condition that the subject property is tax exempt due to not-for-profit status.

Introduction

OWNERSHIP HISTORY

The current owner is Naples Memory Care 2 LLC.

No sales involving the subject have been recorded during the prior three years. Additionally, we are not aware of any current agreements of sale, options, or listings relating to the subject property.

INTENDED USE AND USER

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to non-client, non-intended users does not extend reliance to any other party and Newmark will not be responsible for unauthorized use of the report, its conclusions or contents used partially or in its entirety.

- The intended use of the appraisal is to be included within offering materials in connection with the sale of securities to finance the acquisition of the Properties ("Intended Use") and no other use. The Firm will provide its consent to the Intended Use contingent only upon review of such offering materials to ensure use of appropriate language associated with references to the Appraisal.
- The client is Stifel, Nicolaus & Company, Incorporated.
- Intended users of the appraisal include only Stifel and the not-for-profit designated purchaser of the properties ("Intended User(s)"), and no other party is permitted to use or rely on the appraisal. The identification of Intended User(s) of the appraisal is to determine the type and extent of research, analysis and reporting appropriate for the assignment. Designation of a party other than Client as an Intended User is not intended to confer upon such party any rights under this Agreement.

DEFINITION OF VALUE

Market value is defined as:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

(Source: Code of Federal Regulations, Title 12, Chapter I, § 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

Market Value of the Total Assets of the Business (MVTAB) is defined as:

"The market value of all of the tangible and intangible assets of a business as if sold in aggregate as a going concern."

(Source: Appraisal Institute: The Dictionary of Real Estate Appraisal, 7th Edition (Chicago: Appraisal Institute, 2022), page 109)

The property has been appraised based on the total assets of the business and assumes a sale, which includes the transfer of a valid operating license, an assembled workforce, and the transfer of all business assets necessary for the operation of a licensed health care facility and typically transferred with the sale of a property like the subject. However, the business assets specifically exclude items that do not typically transfer such as holdings or investments, working capital, accounts receivable, and accounts payable, that are distinctly separate from the real estate.

We have appraised the subject as a going concern entity as its real and personal property are supportive of and tied to an ongoing business operation. Our market value conclusion is inclusive of real property, business personal property (FF&E), and intangible items (i.e. license, certificate of need, assembled workforce, goodwill, etc.) that are a byproduct of operations of the subject as a going concern business entity. This appraisal assumes that the subject property will continue to operate as a going concern. In any event that the subject property ceases its current operations, then the value of any or all of the components may be less than our conclusions within this report. Furthermore, these allocations are not reflective of the value of each component on a standalone basis. The exclusion of any one of the components from the going concern would render these individual allocations invalid.

INTEREST APPRAISED

The appraisal is of the Fee Simple interest.[1]

> ***Fee Simple Estate:*** Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

APPRAISAL REPORT

This report incorporates sufficient information regarding the data, reasoning and analysis that were used to develop the opinion of value in accordance with the intended use and user.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the Market Value of the Fee Simple interest of the total assets of the business (TAB) including real and personal property, which reflects its present condition and occupancy rate and assumes prudent marketing and management.

SCOPE OF WORK

Extent to Which the Property is Identified

- Physical characteristics
- Legal characteristics
- Economic characteristics

Extent to Which the Property is Inspected

During this assignment we inspected the subjects readily accessible site and building areas on March 19, 2024.

Type and Extent of the Data Researched

As per the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user. The scope of this appraisal required collecting primary and secondary data considered relevant to the subject property. Sales and rental data was researched. The input of buyers, sellers and property owners was also considered.

- Exposure and marking time.
- Neighborhood and land use trends.
- Demographic trends.
- Flood zone status.
- Zoning requirements and compliance.
- Real estate tax data.

[1] The Dictionary of Real Estate, 6th Edition, Appraisal Institute

- Market trends relative to the subject property type.
- Physical characteristics of the site and applicable improvements.
- Relevant applicable comparable data; and

Investment rates.

Type and Extent of Analysis Applied

We analyzed the property and market data gathered through the use of appropriate, relevant, and accepted market-derived methods and procedures. Further, we employed the appropriate and relevant approaches to value and correlated and reconciled the results into an estimate of market value, as demonstrated within the appraisal report.

Economic Analysis

AREA ANALYSIS

The subject is situated within the City Limits of Naples, Collier County, Florida. Florida is considered to be located in the Southeast United States regional area. Furthermore, the subject is located within the Naples MSA.

As a senior housing facility, investors typically focus on a regional area when considering new acquisitions. Therefore, as will be shown within the various approaches to value utilized, we placed primary consideration on the subject's regional area in our search for comparable sale data. As for prospective property residents, the competing market area is much more local.

An overview of the subject's metropolitan area is presented on the subsequent pages provided by Moody's Analytics. We then have presented an Executive Overview of the novel Corona virus (COVID-19) with a subsequent delineation and discussion of the subject's Primary Market Area (PMA) in the Market Analysis Section.

The following map illustrates the subject's location with respect to the regional area. Additionally, we have also included maps of the subject's greater surrounding area and neighborhood on following pages.

MAP OF THE USA
(Source: Map provided via NAR)

MOODY'S Naples-Immokalee-Marco Island FL

PRÉCIS® U.S. Metro

Data Buffet® MSA code: IUSA_MNAP

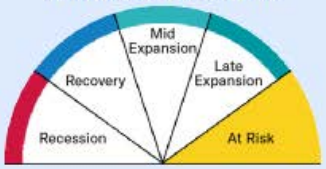
ECONOMIC DRIVERS

RETIREE HAVEN

TOURIST DESTINATION

EMPLOYMENT GROWTH RANK		RELATIVE COSTS		VITALITY	QUALITY
2023-2025	2023-2028	LIVING	BUSINESS	RELATIVE	OF LIFE
31 1st quintile	17 1st quintile	133%	104%	0.71 Rank: 31	46
Best=1, Worst=410		U.S.=100		Best=1, Worst=403	Best=1, Worst=378

BUSINESS CYCLE STATUS



STRENGTHS & WEAKNESSES

STRENGTHS

- High quality of life and desirable weather attract retirees and tourists.
- Population growth exceeds the Florida and U.S. averages.
- High per capita income.

WEAKNESSES

- Exposure to hard-hit tourism.
- High cost of living.
- Home insurance costs divert retirees to other states.

FORECAST RISKS

SHORT TERM ▲ LONG TERM ▼

RISK EXPOSURE 2024-2029: **2** 1st quintile (Most=1, Least=403)

UPSIDE

- Increased share of working-age residents bolsters spending more than expected.
- Growing popularity with international visitors bolsters consumer industries.

DOWNSIDE

- Eroding affordability due to the increasing price tag of hurricanes weighs on the housing market in the long run.
- Tourism falls short of expectations due to a slowing economy.

MOODY'S RATING

Aaa COUNTY AS OF JAN 25, 2023

ANALYSIS

Recent Performance. Naples-Immokalee-Marco Island has slipped in recent months. Impressive, seasonally adjusted payroll growth for most of 2024 gave way to modest losses this fall. Recent struggles have been especially pronounced for health services, leisure/hospitality and local government. Bright spots include logistics and wholesalers. The unemployment rate is about even with that of the state, but recent labor force declines suggest softness in the household survey. House prices have fallen since the start of 2024 due partly to an increased number of homes for sale.

Tourism. Travel-related industries will downshift, but tourism will remain a cornerstone of the local economy. NAP is more dependent on tourism than most as its share of leisure/hospitality employment places it in the top 20 nationally. Hurricane Ian in 2022 was a knock to payrolls, but NAP was able to rebuild rapidly, and visitation recovered. Hurricanes Helene and Milton damaged some hotels and resorts in October, contributing to a decline in leisure/hospitality payrolls. Most hotels reopened quickly, but the storms likely depressed visitor counts for longer. Nevertheless, it has been an impressive year for NAP, considering headwinds such as high inflation and interest rates. New hotels opened, and the metro area is growing in popularity with international visitors, who tend to spend more and stay for longer. NAP's beaches and hotels will ensure that it stays a popular destination, but a slowing national economy will keep a lid on visitor spending in the near term. Nevertheless, leisure/hospitality will remain an essential contributor to job growth.

Other services. Secondary consumer industries will support mid- and high-wage job growth. Healthcare already plays a sizable role in the retiree haven, and the continued appeal of the Gulf Coast amid seniors has supported hiring in the industry, particularly among hospitals and community care facilities. But the pace of growth among those aged 65 or older has slowed in recent years, owing in part to the peak of the baby boomer wave of retirements. Fortunately for NAP, millennial and middle-aged workers have picked up some of the slack thanks to the continuation of remote work. Professional/business services make up a below-average share of employment in NAP relative to the nation, but the industry will grow in importance in the medium term as the metro area attracts more prime working-age residents. The changing composition will also bolster spending and increase the share of mid- to high-wage jobs.

Real estate. Rapidly growing insurance premiums will threaten the housing market. Due to extreme weather and an expensive stock of homes, NAP trails only Miami for the highest home insurance premiums in the nation. Robust in-migration fueled a rapid runup in house prices in recent years, further eroding affordability. As a result, some residents who can no longer bear the cost of sky-high insurance premiums are being forced to list their homes. This has pushed inventories significantly higher, especially since Hurricane Ian, with active listings climbing above their pre-pandemic level and contributing to a mild correction in house prices. As climate change brings more frequent and severe storms, insurance costs will keep rising, further eroding affordability and potentially deterring some would-be movers.

Growth in Naples-Immokalee-Marco Island will outpace that of the state and nation in the year ahead. Tourism will contribute to gains, but secondary industries will take the reins as the year progresses. In the long run, NAP's high quality of life will support steady in-migration and drive strong growth, keeping it one of the nation's top performers.

Kelly Walker
December 2024

2018	2019	2020	2021	2022	2023	INDICATORS	2024	2025	2026	2027	2028	2029
17.5	18.2	18.0	19.9	21.2	22.4	Gross metro product (C17$ bil)	23.5	24.4	25.2	26.0	26.9	27.8
4.6	4.4	-1.2	10.5	6.6	5.3	% change	5.0	4.0	3.2	3.1	3.4	3.7
150.1	154.6	147.4	155.2	164.5	171.2	Total employment (ths)	175.3	178.8	181.9	184.2	186.6	189.2
3.7	3.0	-4.7	5.3	6.0	4.1	% change	2.4	2.0	1.8	1.2	1.3	1.4
3.6	3.2	7.4	3.8	2.9	2.9	Unemployment rate (%)	3.2	3.7	3.9	3.9	3.8	3.8
12.2	6.1	4.6	13.2	6.1	9.2	Personal income growth (%)	6.4	6.3	6.2	5.7	5.9	6.5
71.7	76.6	78.0	79.3	85.5	90.1	Median household income ($ ths)	91.8	94.8	98.8	104.1	109.8	116.0
364.0	369.4	377.3	387.9	399.2	408.1	Population (ths)	424.9	438.7	448.5	456.3	464.1	472.5
0.9	1.5	2.1	2.8	2.9	2.2	% change	4.1	3.3	2.2	1.7	1.7	1.8
3.6	6.0	8.8	12.2	12.3	9.6	Net migration (ths)	17.7	15.0	11.0	9.0	9.2	9.8
3,253	3,300	3,256	4,380	3,519	2,923	Single-family permits (#)	2,730	4,436	4,922	5,010	4,873	4,731
1,133	691	1,217	2,386	1,998	695	Multifamily permits (#)	857	1,750	1,504	1,335	1,390	1,510
5.4	4.0	4.4	20.8	26.8	10.7	FHFA house price index (% change)	1.8	0.2	1.4	1.9	2.4	2.4

PRÉCIS® U.S. METRO • Naples-Immokalee-Marco Island FL

ECONOMIC HEALTH CHECK

3-MO MA	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24
Employment, change, ths	0.7	0.7	0.7	-0.0	-0.6	-0.4
Unemployment rate, %	3.2	3.2	3.2	3.4	3.4	3.4
Labor force participation rate, %	55.6	55.5	55.4	55.3	54.9	54.5
Average weekly hours, #	33.4	33.0	33.2	33.2	32.9	33.1
Industrial production, 2012=100	101.2	100.9	100.3	100.0	99.7	99.7
Residential permits, single-family, #	2,505	2,642	2,276	2,205	2,075	2,421
Residential permits, multifamily, #	562	362	205	261	1,474	1,637
Dec/Dec	**Dec 18**	**Dec 19**	**Dec 20**	**Dec 21**	**Dec 22**	**Dec 23**
Employment, change, ths	5.9	3.4	-7.7	10.8	7.8	6.1

Stronger than prior 3-mo MA | Unchanged from prior 3-mo MA | Weaker than prior 3-mo MA

Sources: BLS, Census Bureau, Moody's Analytics

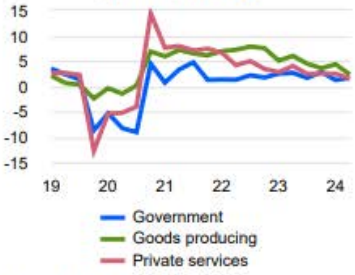
BUSINESS CYCLE INDEX

JAN 2014=100

Source: Moody's Analytics

INDUSTRY EMPLOYMENT

% CHANGE YR AGO



Sources: BLS, Moody's Analytics

CURRENT EMPLOYMENT TRENDS

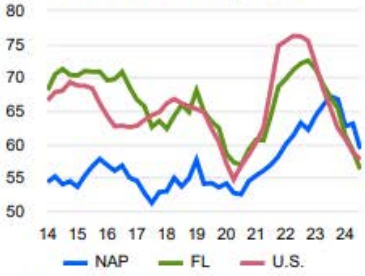
% CHANGE YR AGO, 3-MO MA

	Nov 23	May 24	Nov 24
Total	4.0	2.5	1.5
Mining	5.4	5.4	-0.5
Construction	5.6	3.7	2.9
Manufacturing	6.3	3.3	1.5
Trade	4.8	1.9	0.3
Trans/Utilities	5.9	3.7	3.0
Information	5.3	0.3	-5.1
Financial Activities	3.1	0.0	-1.5
Prof & Business Svcs.	1.5	-0.1	-1.5
Edu & Health Svcs.	3.6	2.7	1.9
Leisure & Hospitality	4.3	4.2	3.8
Other Services	4.2	3.8	4.8
Government	2.8	2.9	0.9

Sources: BLS, Moody's Analytics

DIFFUSION INDEX

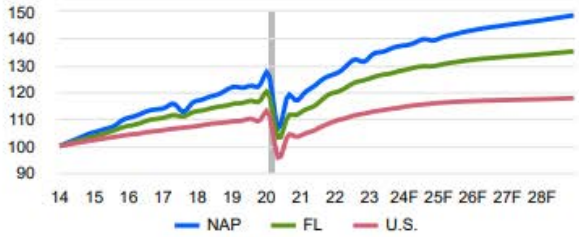
3-DIGIT NAICS LEVEL, 6-MO MA



Sources: BLS, Moody's Analytics

RELATIVE EMPLOYMENT PERFORMANCE

JAN 2014=100



Sources: BLS, Moody's Analytics

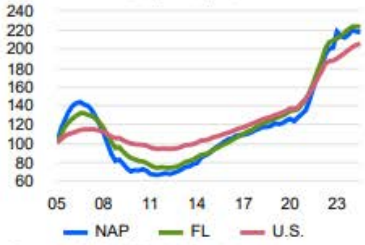
RELATIVE EMPLOYMENT FORECAST

VS. 6 MO PRIOR

Sources: BLS, Moody's Analytics

HOUSE PRICE

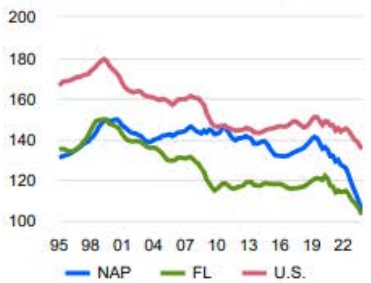
2005Q1=100, NSA



Sources: FHFA, Moody's Analytics

RENTAL AFFORDABILITY

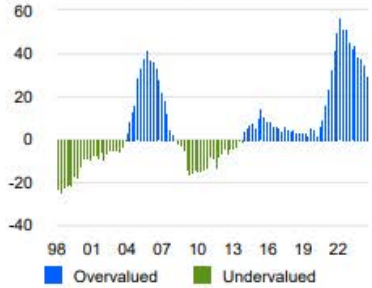
GREATER THAN 100=MORE AFFORDABLE



Sources: Census Bureau, BLS, Moody's Analytics

HOUSE PRICE TRENDS

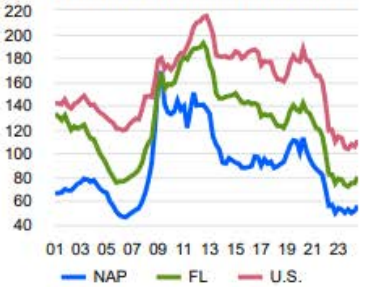
%



Sources: Moody's Analytics

HOUSING AFFORDABILITY

GREATER THAN 100=MORE AFFORDABLE



Sources: NAR, Moody's Analytics

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TOP EMPLOYERS

NCH Healthcare System	4,247
Arthrex Inc. & Manufacturing	3,973
Publix Super Markets Inc.	3,457
LFC Agricultural Services	1,471
Physicians Regional Medical Center	1,191
Ritz-Carlton Hotel Co. LLC	1,100
Seminole Casino Immokalee	900
Moorings Park	888
JW Marriott - Marco Island	850
Germain Cars	554
Downing Frye Realty	550
Classic Bently Village Inc.	500
Gulf Bay Group of Cos.	500
Agmart Produce Inc.	500
The Home Depot U.S.A. Inc.	480
John R Wood Properties	470
McDonald's Corp.	441
Walgreens	373
Naples Beach Hotel & Golf Club	350
Naples Lakes Country Club	320

Sources: City of Naples, 2023, Southwest Florida Economic Development Alliance, 2019

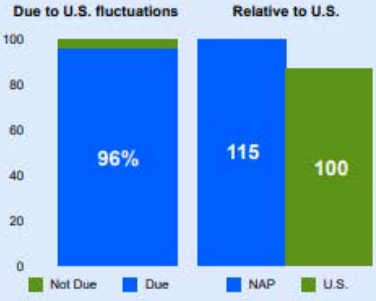
PUBLIC

Federal	700
State	666
Local	12,699

2023

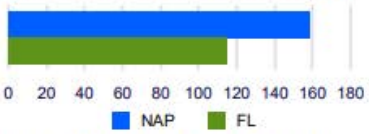
INDUSTRIAL DIVERSITY

EMPLOYMENT VOLATILITY



ENTREPRENEURSHIP

BROAD-BASED START-UP RATE; U.S.=100



Sources: Census Bureau, Moody's Analytics, 2022

EXPORTS

Product - 2019	$ mil
Food and kindred products	ND
Chemicals	23.2
Primary metal manufacturing	ND
Fabricated metal products	ND
Machinery, except electrical	ND
Computer and electronic products	19.9
Transportation equipment	25.1
Miscellaneous manufacturing	ND
Other products	60.5
Total	**221.0**

Destination - 2022	$ mil
Africa	5.6
Asia	57.2
European Union	64.1
Canada & Mexico	ND
South America	17.8
Rest of world	ND
Total	**276.8**
% of GDP	*1.0*
Rank among all metro areas	*350*

Sources: BEA, International Trade Administration, Moody's Analytics

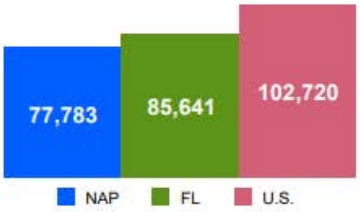
COMPARATIVE EMPLOYMENT AND INCOME

	% OF TOTAL EMPLOYMENT			AVERAGE ANNUAL EARNINGS		
Sector	NAP	FL	U.S.	NAP	FL	U.S.
Mining	0.0	0.0	0.4	ND	$35,401	$181,917
Construction	12.0	6.5	5.1	$78,055	$64,853	$77,604
Manufacturing	3.3	4.3	8.3	$144,146	$90,311	$100,233
Durable	*77.6*	*68.6*	*62.6*	*ND*	*$93,347*	*$102,888*
Nondurable	*22.4*	*31.4*	*37.4*	*ND*	*$84,156*	*$95,935*
Transportation/Utilities	1.8	4.4	4.6	$37,360	$51,197	$64,074
Wholesale Trade	3.5	4.0	3.9	$126,488	$102,270	$107,061
Retail Trade	13.6	11.8	10.0	$52,314	$43,824	$43,636
Information	0.8	1.6	1.9	$78,574	$94,948	$147,064
Financial Activities	6.2	7.0	5.9	$34,958	$40,034	$60,198
Prof. and Bus. Services	12.8	16.6	14.6	$80,606	$70,854	$88,706
Educ. and Health Services	15.3	15.1	16.2	$71,165	$65,112	$67,977
Leisure and Hosp. Services	17.5	13.3	10.6	$47,115	$39,346	$37,546
Other Services	5.0	3.8	3.7	$44,230	$38,246	$44,257
Government	8.2	11.5	14.6	$88,536	$88,486	$92,363

Sources: Percent of total employment — BLS, Moody's Analytics, 2023, Average annual earnings — BEA, Moody's Analytics, 2022

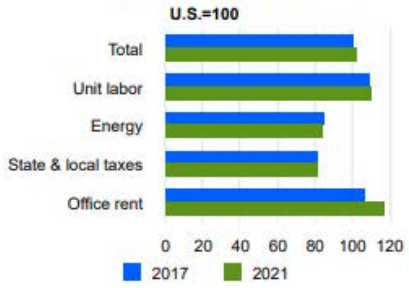
PRODUCTIVITY

REAL OUTPUT PER WORKER, $



Sources: BEA, Moody's Analytics, 2022

BUSINESS COSTS



Source: Moody's Analytics

EMPLOYMENT

HIGH-TECH

	Ths	% of total
NAP	7.1	4.1
U.S.	8,526.6	5.5

HOUSING-RELATED

	Ths	% of total
NAP	35.5	20.8
U.S.	15,428.7	9.9

Source: Moody's Analytics, 2023

LEADING INDUSTRIES BY WAGE TIER

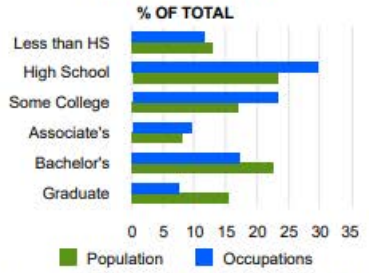
NAICS	Industry	Location Quotient	Employees (ths)
6211	Offices of physicians	1.2	3.4
4234	Prof. & comm. equip. & supp. merch. whlslrs.	2.9	2.2
5411	Legal services	1.5	1.8
5221	Depository credit intermediation	0.8	1.6
GVL	Local Government	0.8	12.3
6221	General medical and surgical hospitals	1.0	4.9
2382	Building equipment contractors	1.6	4.0
7211	Traveler accommodation	2.2	3.7
7225	Restaurants and other eating places	1.5	16.8
5617	Services to buildings and dwellings	3.4	7.8
7139	Other amusement and recreation industries	4.9	6.6
4451	Grocery stores	1.6	4.6

High Mid Low

Source: Moody's Analytics, 2023

PRÉCIS® U.S. METRO • Naples-Immokalee-Marco Island FL

SKILLS MISMATCH



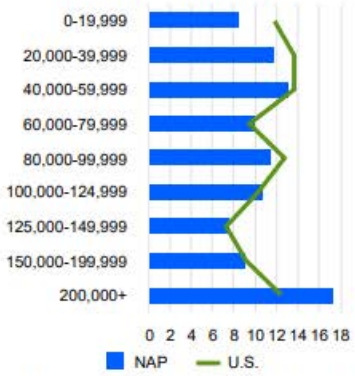
Sources: Census Bureau, ACS, Moody's Analytics, 2018

ECONOMIC DISENFRANCHISEMENT

Index	2021	Rank*
Gini coefficient	0.53	10
Palma ratio	3.4	99
Poverty rate	10.7%	303

**Most unequal=1, Most equal=403*

HOUSEHOLDS BY INCOME, %



Sources: Census Bureau, ACS, Moody's Analytics, 2023

MIGRATION FLOWS

INTO NAPLES FL

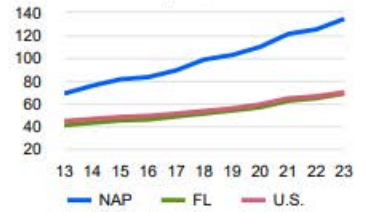
	Number of Migrants
Cape Coral FL	3,092
New York NY	1,642
Miami FL	1,319
Chicago IL	1,285
Fort Lauderdale FL	866
Nassau County NY	589
Boston MA	426
West Palm Beach FL	421
Newark NJ	407
Warren MI	399
Total in-migration	*27,054*

FROM NAPLES FL

Cape Coral FL	4,616
Tampa FL	600
Miami FL	560
Fort Lauderdale FL	444
New York NY	435
Orlando FL	414
West Palm Beach FL	349
North Port FL	327
Chicago IL	279
Jacksonville FL	213
Total out-migration	*19,330*
Net migration	**7,724**

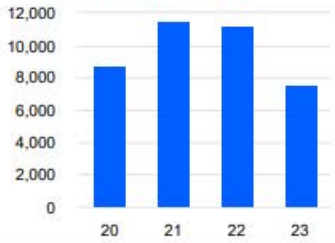
PER CAPITA INCOME

$ THS



Sources: BEA, Moody's Analytics

NET MIGRATION, #, NAP

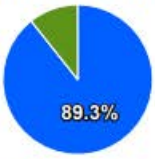


	2020	2021	2022	2023
Domestic	7,257	10,651	8,969	4,197
Foreign	1,499	890	2,231	3,382
Total	8,756	11,541	11,200	7,579

Sources: IRS (top), 2022, Census Bureau, Moody's Analytics

COMMUTER FLOWS

RESIDENTS WHO WORK IN NAP

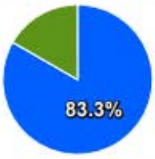


Top Outside Sources of Jobs

Naples FL	Share
Cape Coral FL	7.0
Miami FL	0.4
Chicago IL	0.4
New York NY	0.2
Tampa FL	0.2

COMMUTER FLOWS

WORKERS WHO LIVE IN NAP



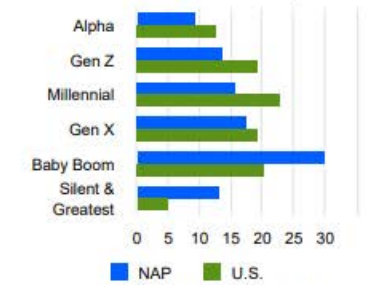
Top Outside Sources of Workers

Naples FL	Share
Cape Coral FL	14.7
Punta Gorda FL	0.3
Fort Lauderdale FL	0.2
North Port FL	0.1
West Palm Beach FL	0.1

Sources: Census Bureau, Moody's Analytics, avg 2016-2020

GENERATIONAL BREAKDOWN

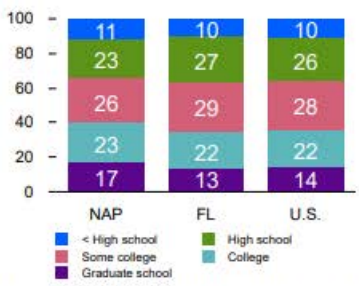
POPULATION BY GENERATION, %



Sources: Census Bureau, Moody's Analytics, 2023

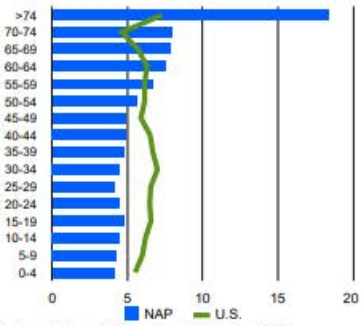
EDUCATIONAL ATTAINMENT

% OF ADULTS 25 AND OLDER



Sources: Census Bureau, ACS, Moody's Analytics, 2023

POPULATION BY AGE, %



Sources: Census Bureau, Moody's Analytics, 2023

SENIOR HEALTHCARE AND COVID-19

The COVID-19 pandemic has placed unprecedented pressure on global healthcare systems and in many circumstances has forced organizations and governments to acknowledge specific weaknesses. As we move farther into 2025, signs of the strength of the seniors market have taken root and recovery in the sector continues to strengthen and the industry is set for a strong year in 2025. In most markets and in most properties, recovery has strengthened more operators are looking for a robust future.

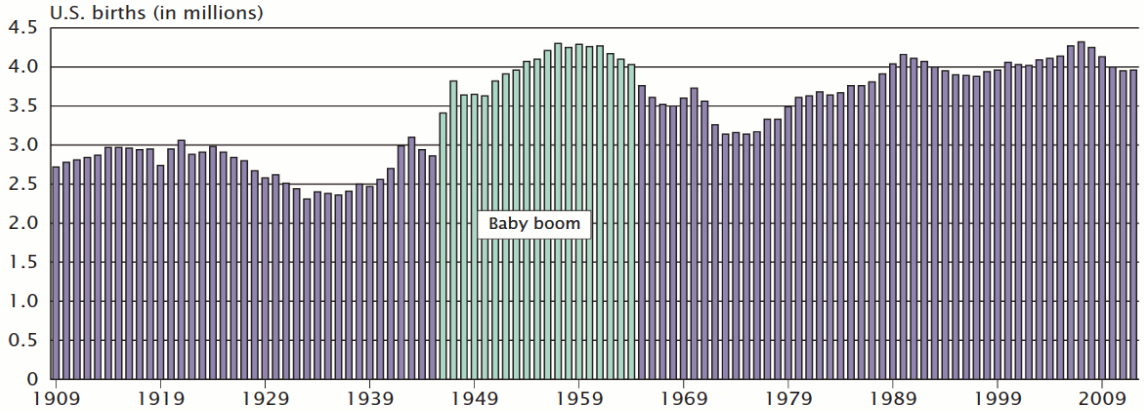
Overview

Overall, the operational market for senior living communities continues to improve. The occupancy rate continues to recover and increased 0.7 percentage points to reach 87.2% as of the fourth quarter of 2024. All the while, the number of occupied senior living units continues to increase to record highs; however, this fact has been true for several quarters.

Increase in operational performance of senior communities continues to be strengthened by a relatively small growth in inventory of only 1.2% which was the smallest Year over year increase since 2011, and many construction projects were stopped or put on hold during the pandemic years of 2020 to 2022. The average asking rate increased by 4.2% as compared to the previous year.

The pricing for senior communities continues to increase from their lower levels on the rolling four quarters of 2024. Overall, pricing for senior living communities has decreased however this is mostly due to smaller and older communities being transacted while the Class A and institutional buyers and sellers are waiting patiently as the market uncertainties play out.

Many operators, investors, lenders, and senior living insiders note the following trend on the chart below. The oldest members of the Baby Boomer generation which started in 1946, highlighted in light green, will turn age 80 in 2026. Most of the current residents within senior living were born in the 1930s, which is a period of low births.

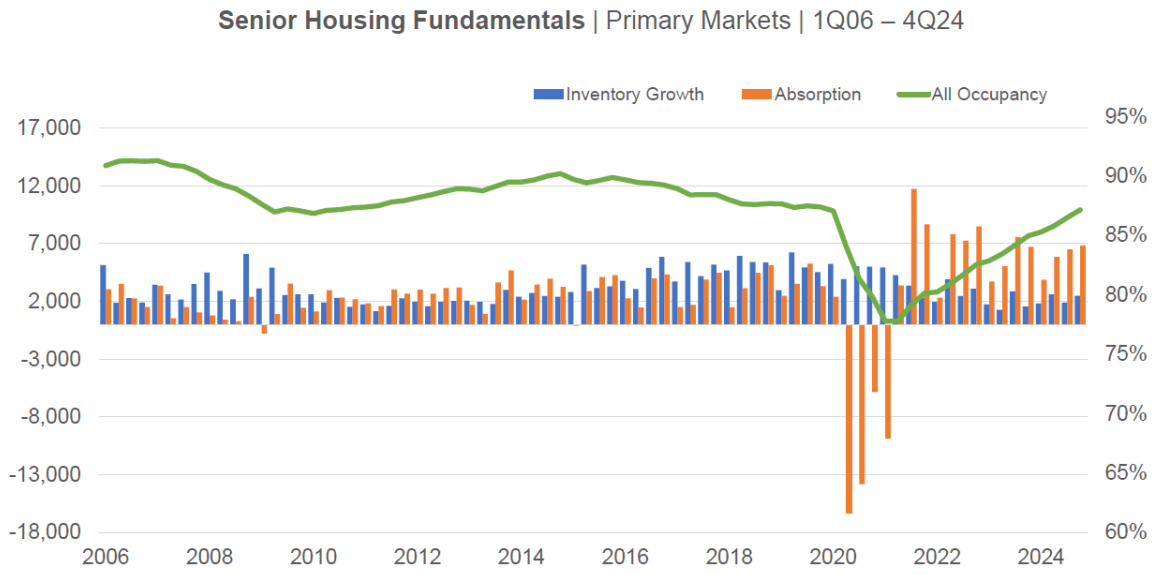


Occupancy Rates

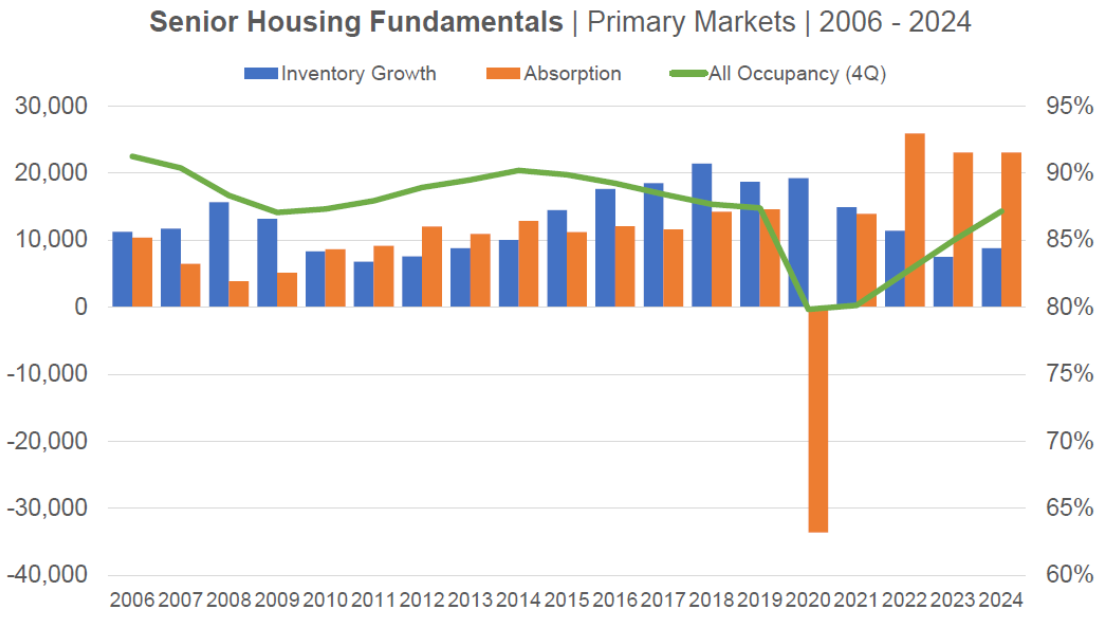
Since the first quarter of 2020, the occupancy rate for seniors housing declined as the COVID 19 pandemic extended month after month. Signs of a trough were indicated as occupancy levels have picked back up from their lows from earlier in 2021. In the fourth quarter of 2024, the occupancy rate for senior housing increased 0.7 percentage points to 87.2% for the 31 primary markets tracked by NIC (National Investment Center), which is the premier data provider within the industry. This marked the 14th consecutive quarter of occupancy gains. The current occupancy rate is 9.4 percentage points above the pandemic through of 77.8% in mid-2021 and 0.1 percentage points above the pre pandemic level of 87.1% in the first quarter of 2020.

The occupancy rate for independent living stands at 88.6% as of the end of 2024, while the rate for assisted living slightly lower at 85.7%. For independent and assisted living, the occupancy rates have increased by over 2.0 percentage points for each level during 2024.

We note that the occupancy rates for assisted living have increased greater than for independent living, which generally reflects the fact the that assisted living is considered more needs based while independent living is considered more of a choice-based decision.

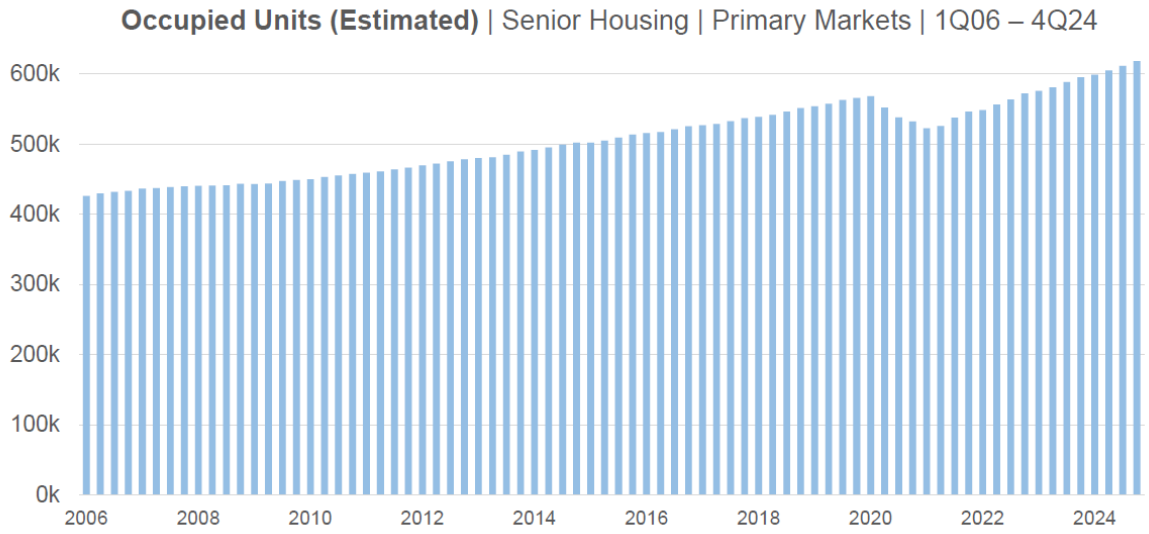


We note that the negative absorption in 2020 and 2021 turn positive at the beginning of 2022 remained very positive over the last three years. Inventory growth has decreased which has aided the turnaround in occupancy along with residents being comfortable returning to senior living communities after the pandemic.

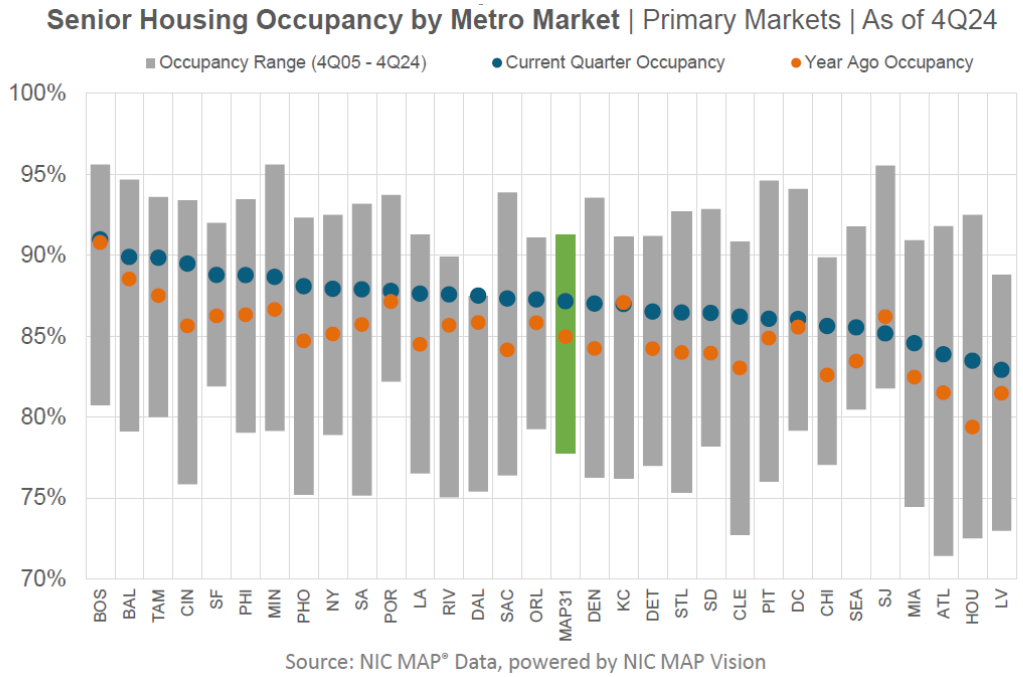


We note that the number of occupied units has increased but the overall occupancy percentage has decreased as new supply has come on to the market during the past three years. Nonetheless, this trend of higher occupied senior living units implies that the product type is considered an accepted and needed product line within the real estate market. This is especially true as the baby boomer generation move into senior communities at a higher level over the next few years. It should be noted that in 2025 the oldest baby boomers will turn age 79, which is typically just below the age where many seniors enter into a senior living community. In other words, most of the current residents within senior living communities were born from 1925 to 1945, which is considered a period of demographic weakness within the United States history due to the Great Depression and World War II.

Note that the number of occupied units is now above the start of the pandemic. The number of occupied senior housing units set another record high in the fourth quarter of 2024, rising to more than 618,000 units for the primary markets. Compared to 2020, this is 49,400 more units than were occupied at that point in time.



The growth in the inventory has slowed significantly during the pandemic, which combined with more residents required senior living, has led to an increase in occupancies. In addition, the increased costs of construction materials, decreased occupancy levels in existing facilities, and increased tightening in lending standards has dampened construction starts. Based on these particulars, many senior living operators very bullish on the future.



Source: NIC MAP® Data, powered by NIC MAP Vision

The chart displays the occupancy rates for each of the 31 primary markets with the gray bars providing the historical occupancy range in each market from the fourth quarter of 2005 to the current date. The highest occupancy rates are in Boston and Baltimore which held relatively steady in 2024, but it should be noted that Cincinnati and Tampa made significant gains throughout the year. Four of the lagging markets made gains as well during the year including Las Vegas, Houston, Miami, and Atlanta. The spread between the highest and lowest occupied markets narrowed to only 8.1 percentage points which is down from a couple of years ago in which there was a double digit spread.

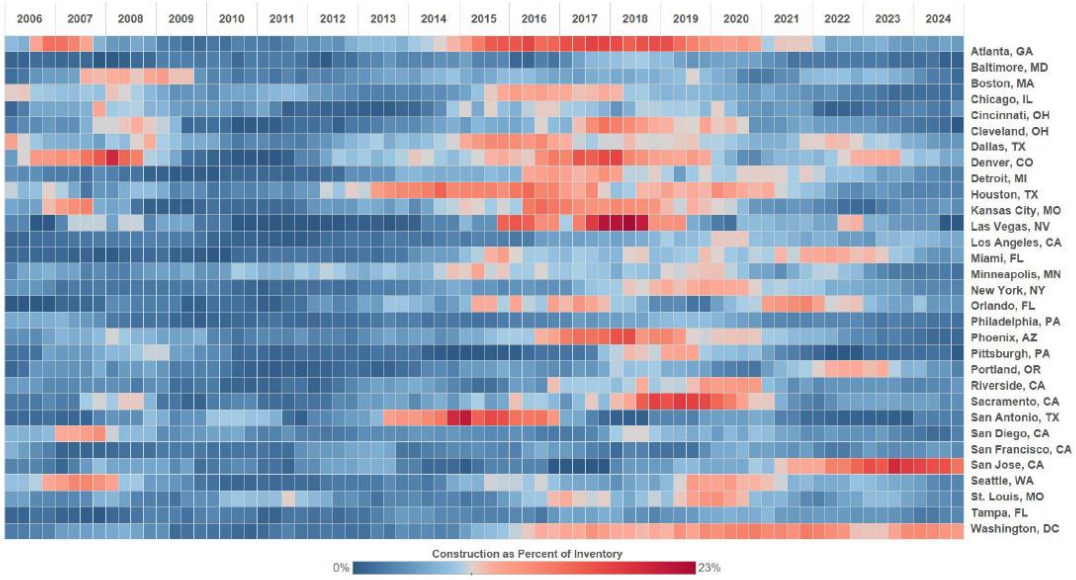
New Construction

As expected, new construction has declined from the peak levels in 2017 and 2018. The market for new construction reach its low in 2023, but had some increases in units in 2024. As the market continues to improve on a fundamental basis, it is expected that new construction projects will increase substantially in the next three to five years. While there are headwinds such as higher construction costs, difficulty obtaining construction labor and labor at the actual senior community, along with increasing regulations, most operators remain optimistic as the baby boomers will hit age 80 which will occur in 2026.

As indicated in the following chart, the bluer tones indicate a lower level of construction activity while red tones indicate areas of higher construction activity. There are an increasing number of markets with no projects under construction, which include Atlanta, Las Vegas, and Cleveland and a few others with very little construction. The markets shaded in red had the most construction as a percentage of the existing inventory as of the fourth quarter of 2024. San Jose is the leader

within this market totaling more than 100 new units in 2024, however; there are an additional 1,000 units currently under construction.

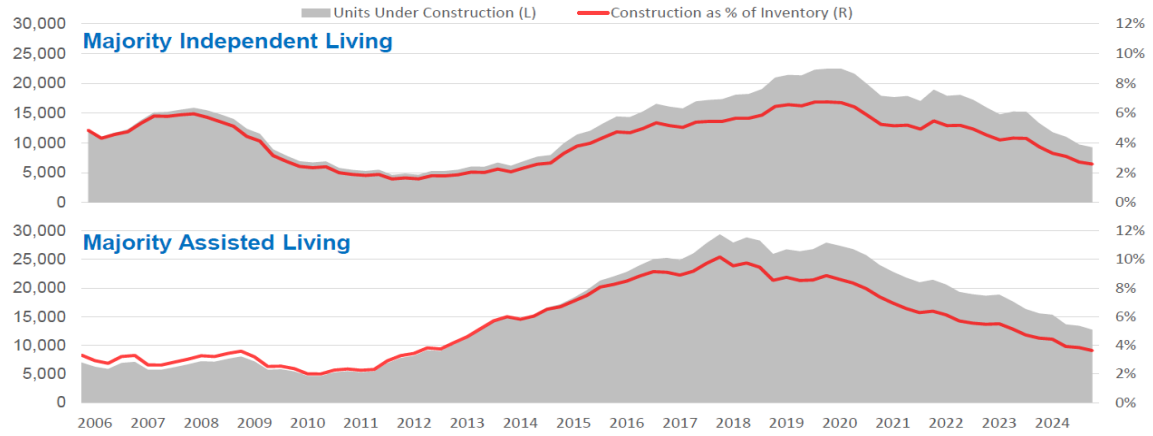
Senior Housing Construction as Percent of Inventory | Primary Markets | 1Q06 – 4Q24



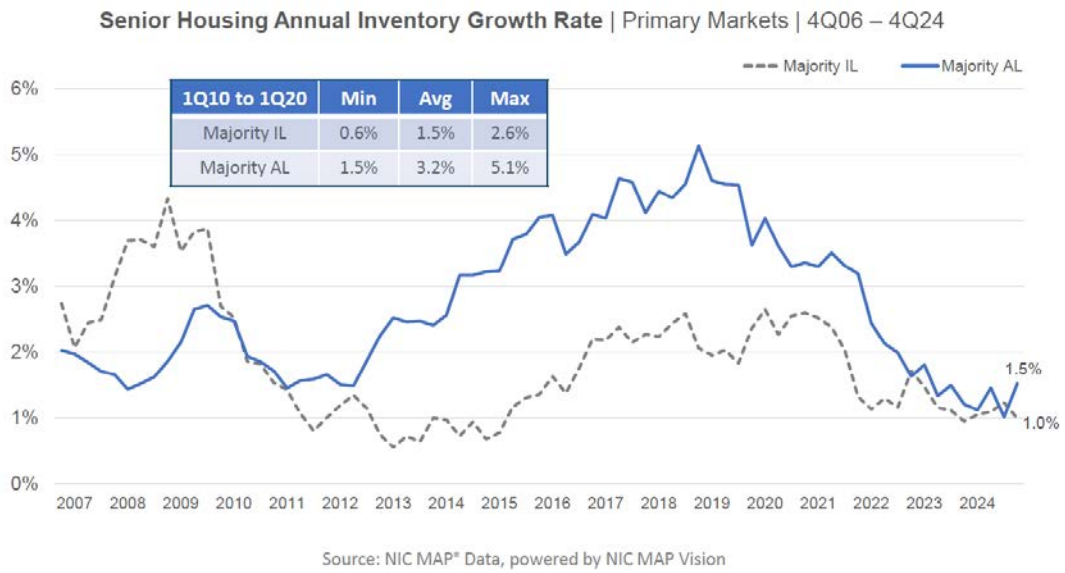
Source: NIC MAP® Data, powered by NIC MAP Vision

Construction activity as a percentage of inventory is at its lowest point since 2011. Overall, it is expected that construction starts will remain low as occupancy rates rebound to pre-pandemic levels, the supply chain issues with construction materials are resolved, and the expense structure for these senior living operators stabilizes from the issues related to staffing and the increased costs associated with operating a senior living community. It is expected that while construction starts will remain muted in most markets, construction will continue in select markets.

Units Under Construction and Construction as Percent of Inventory | Primary Markets | 4Q05 – 4Q24



Source: NIC MAP® Data, powered by NIC MAP Vision



As noted in the chart above, are there declining share of construction activity currently underway that has broken ground within the last 12 months. For senior living communities, it takes an average of 2.4 years for new projects to go from breaking ground to opening for residents. Part of this is due to the larger size that newer communities have become over the past ten years, as the newer communities often have as many as 150 beds or more.

Adult Children and Home Health

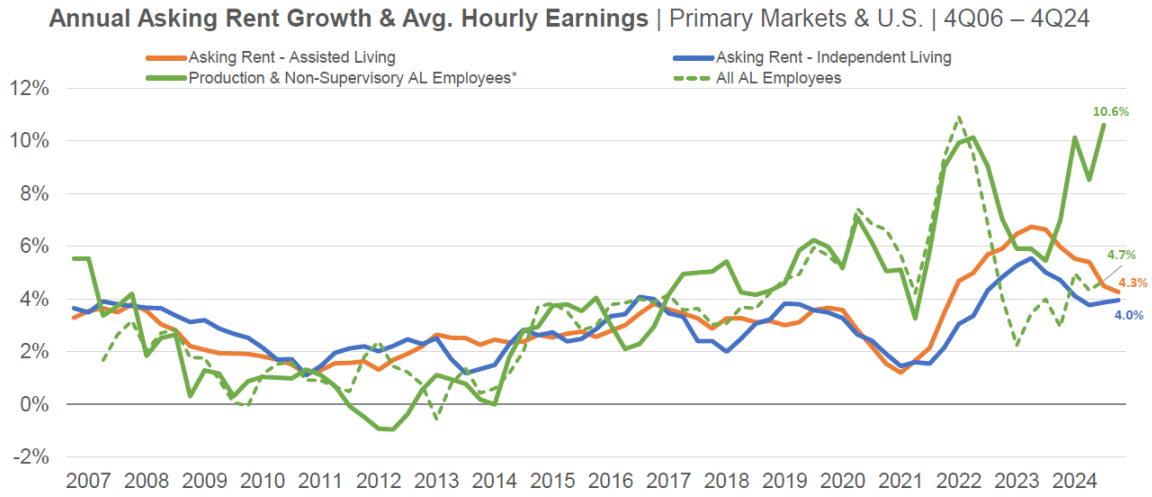
Adult children, many of which are currently juggling the stresses of a combined work and homelife, have taken the responsibility to provide care for older family members. While this situation is adequate for low acuity seniors, the situation will become more difficult as the acuity levels increase within the older population. For the adult children of seniors, the work from home option is starting to subside in some places and decisions will likely need to be made over the next few months of how to care for an aging senior.

The home health industry, which has steadily increased in prominence, often time at the expense of traditional seniors housing services, is dealing with their own distinct set of challenges as the model, with its wide-ranging exposure to the community, is hindered by its inherent risk. The seniors housing industry, driven by its role in caring for one of the nation's largest segments of the population, is positioned to endure and evolve with the times.

Operations

Even before the pandemic, staffing issues were prevalent in the industry. This was an even bigger issue during the pandemic as many senior living communities relied upon agency staffing to fill the gaps when needed. We have found this to be a facility-by-facility issue and a market-by-market issue. In areas of low unemployment, the staffing issues and shortages are greater. Going

forward, most operators see staffing as their biggest challenge. As of 2025, most communities report that agency personnel has been greatly reduced or eliminated.



Source: NIC MAP® Data, powered by NIC MAP Vision, U.S. Bureau of Labor Statistics

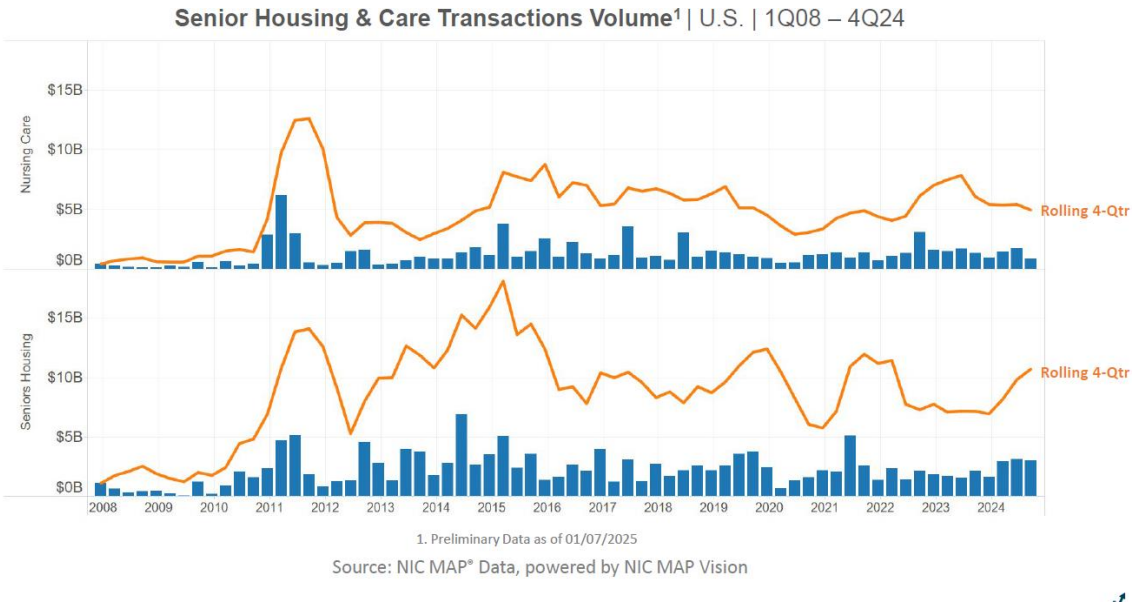
Asking rental rates increased 4.3% for assisted living and 4.0% for independent living in the fourth quarter. We note these growth rates are down from the recent high levels reported in the middle of 2023: however, we note that this is still higher than in previous years. In comparison fourth quarter 2024 wage data from the Bureau of Labor statistics indicate that the average hourly earnings for assisted living employees increased by 10.6% from one year earlier. This illustrates the point that variable rate labor expenses remain elevated and somewhat volatile. The total wage expense for all assisted living employees which includes supervisors and non supervisors grew 4.7% year over year in the fourth quarter, which with an increased generally matches the rental rate increases.

Transactions

There is a significant amount of equity capital on the sidelines ready to invest but the bid ask spreads are still rather wide which limits transactions. The senior living sector is considered one of the most appealing investment sectors in the entire market as the baby boomer population starts to enter the age where senior living will be not just a choice but a need for many of that age cohort.

The banking sector challenges have been a driver of the current restrictive lending environment which continues to slow the transaction market for larger portfolios. The hope is that additional rate cuts will make it easier to refinance properties, particularly those that were financed during

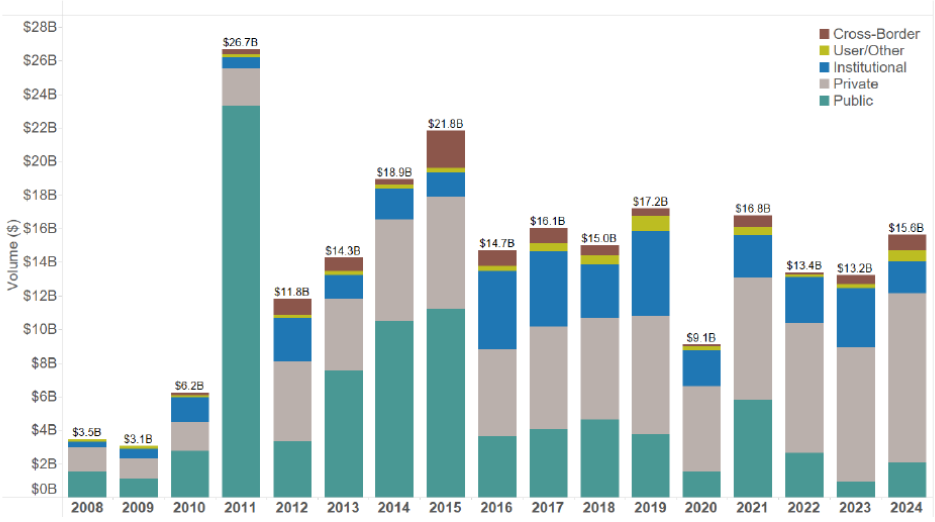
the floating rate years of 2020 and 2021. Currently, the market is cautiously optimistic for an improving interest rate environment.



Reported seniors housing and care closed transaction dollar amount decreased in the fourth quarter of 2024. This was driven by the decrease in nursing care volume which was 51% from the prior quarter. Reported dollar volume for the fourth quarter of 2024 was $3.9 billion which was down 21% from the third quarter of 2024, however; total closed volume was up 12.5%, as compared to the fourth quarter of 2023. Comparing the full year 2023 and 2024, we see that volume increased 18.2% to a total of $15.6 billion.

The increase in volume during 2024 is due in part as the sector continues to strengthen, as investors and operators look at the upcoming demographics that are expected to impact the seniors market. The urban land institute read the seniors market as the second most promising sector for risk adjusted returns commonly behind data centers.

Closed Transactions Senior Housing & Care Volume by Buyer Type[1] | U.S. | 1Q08 – 4Q24



1. Preliminary Data as of 01/07/2024

Source: NIC MAP® Data, powered by NIC MAP Vision

The previous slide depicts transaction volume by buyer type. The public type of buyer is a publicly traded company. The private type of buyer any large institution that is not publicly traded. For example, a private REIT, family office, or a partnership. Institutional type of buyer is the equity funds buyer that manages pension fund money or other types of institutional money. The cross-border buyer represents any buyer from outside the United States.

The private buyers have been more active than the other types of buyers. They have consistently closed over $5.0 billion of transactions each year since 2014. Private buyers registered $10.1 billion in transaction volume in 2024, which represents 65% of the dollar volume. This compares with 60% of the volume in 2023 and 58% of the volume in 2022. From 2020 through 2024, this buyer type averaged 56% of the reported dollar volume.

The public buyer picked up in 2024 however this is from a small base. In 2023, public buyers represented only 7% of the closed dollar volume. This figure picked up to 13% in 2024 increasing from just over $950 million to over $2.0 billion dollars. Cross-border transactions picked up noticeably in 2024 as well, increasing from $551 million to $924 million. The institutional buyer type only represented 12.2% of the transactions in 2024 however, we expect this buyer type to increase in 2025 and beyond.

In terms of properties transacted, 334 communities transacted in the fourth quarter of 2024 of which 227 were senior housing properties and the remaining 107 were nursing care properties.

There continues to be a bifurcation in the trend between senior housing and skilled nursing pricing. Well senior housing price per bed has increased during 2024, The skilled nursing pricing has

decreased. The increase in senior housing pricing ended 2024 at $136,000 per unit, which is an increase of 13.1% from the prior quarter and an increase of 22.6% from one year ago. On the other hand, nursing care ended 2024 at $78,000 per bed, which is roughly flat from the prior quarter and down 13.7% from 2023.

Summary

The Seniors Housing industry has held up as well as could be expected during the COVID 19 pandemic. Some operators and industry insiders believe that there is a large amount of pent-up demand and the industry will continue to rebound in 2025. But, as new facilities came on line during the pandemic, occupancy levels are still lower than before the pandemic in percentage terms. That said, the oldest other baby boomers turn age 80 in the year 2026, which tends to be a time when seniors will consider moving into a community. Most of the residents within senior communities were born between 1925 and 1945, which was a period of low birthrates.

Raising staffing costs and staffing shortages, which were present before the pandemic, accelerated in 2021 to 2024, but have since started to moderate. Many facilities have increased rental rates over the past year. Meanwhile, construction starts have dropped significantly which will aid occupancy levels in future years, especially when combined with increasing development costs due to raw materials and development costs. Overall, the industry has survived the greatest level of stress placed upon it since its inception. The path forward will be filled with opportunities and challenges. The strength and skill of the operator is more important than at any point in the industries relatively young existence. Giving the aging demographics within the United States, the industry is in a prime position to see explosive growth over the next two decades and market participants of all types, including bankers, investors, operators, and the end user themselves, which are the residents are optimistic about the industry's future.

SUPPLY/DEMAND ANALYSIS

In our analysis, supply and demand conditions for the property will be analyzed. The steps that we used in conducting this analysis are as follows:

- Identify the target resident for the property;
- Identify and delineate the primary market area (PMA) for the property;
- Discuss market conditions and influences in the PMA;
- Identify existing and proposed competition in the PMA;
- Analyze the demographic trends relating to the property type in the PMA; and
- Analyze current and future demand in the PMA.

Primary and Competitive Market Area

One of the most important aspects of the analysis is to determine from what area most of the residents reside prior to relocating to the subject or other local competitors.

- Many residents may relocate from another state to be near their adult children
- Operators of senior housing assets typically refer to this as their primary market area: the subject's city limits, county, a distance radius from the subject, or zip codes.

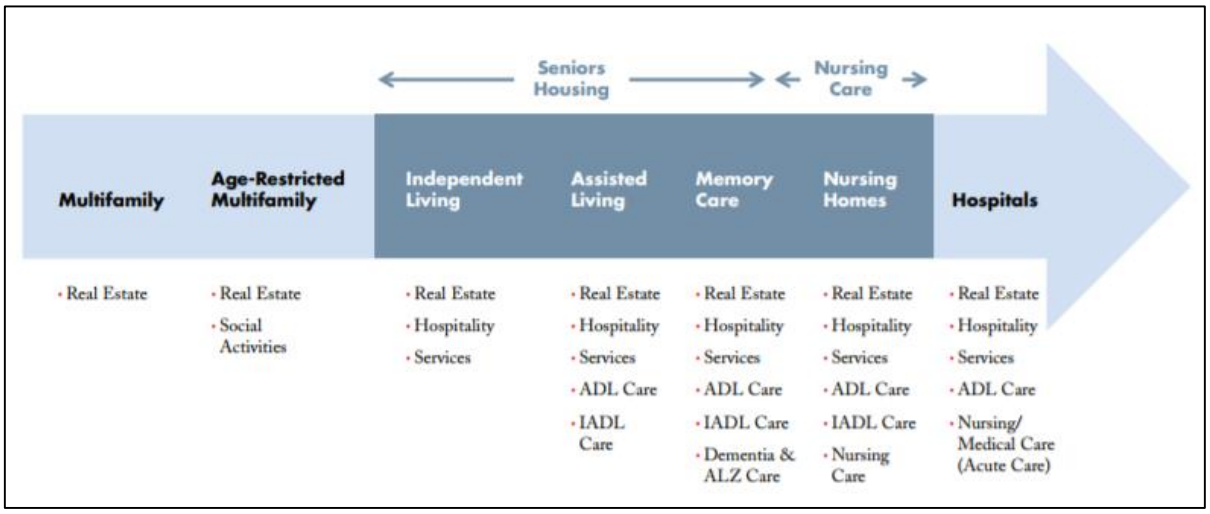
To delineate the subject's PMA, our analysis evaluated industry trends, an interview with the subject's management, as well as representatives at some of the competitive properties we used in our analysis. A study by the Assisted Living Federation of America indicated the following statistics regarding relocation trends for senior housing properties.

Relocation Trends						
Distance	**AL/IL**	**AL**	**AL/MC**	**AL/SNF**	**CCRC**	**Total**
0 to 5 miles	43.5%	40.0%	26.7%	45.8%	52.2%	39.0%
5 to 10 miles	20.0%	20.4%	34.7%	16.7%	16.4%	23.0%
11 to 25 miles	15.3%	20.0%	16.7%	8.3%	13.4%	17.0%
26 to 50 miles	5.9%	7.3%	6.0%	8.3%	6.0%	6.7%
50+ miles	15.3%	12.4%	16.0%	20.8%	11.9%	14.2%

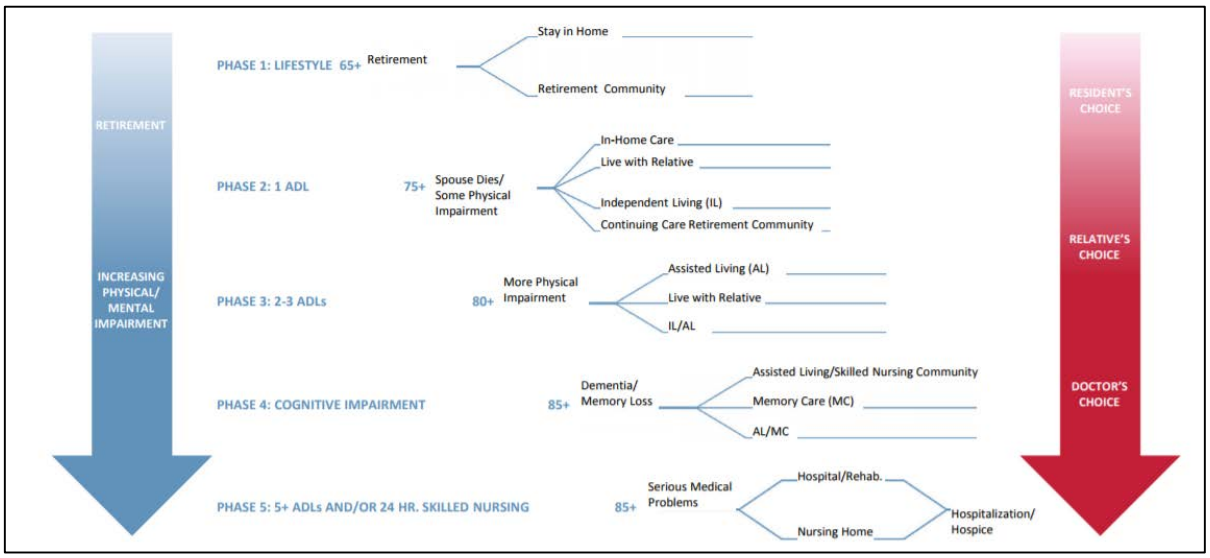
Source: ASHA *Overview of Assisted Living*

While the data is dated, this source is the most recent publication that studied the distances from which seniors experienced is the most recent quantitative measure upon which we can rely.

For reference, the graphic below is extracted from the Seniors Housing primer and illustrates the Spectrum of Seniors Housing options:



The same publication then relates the Spectrum of Seniors Housing options to the aging process in the following graphic:



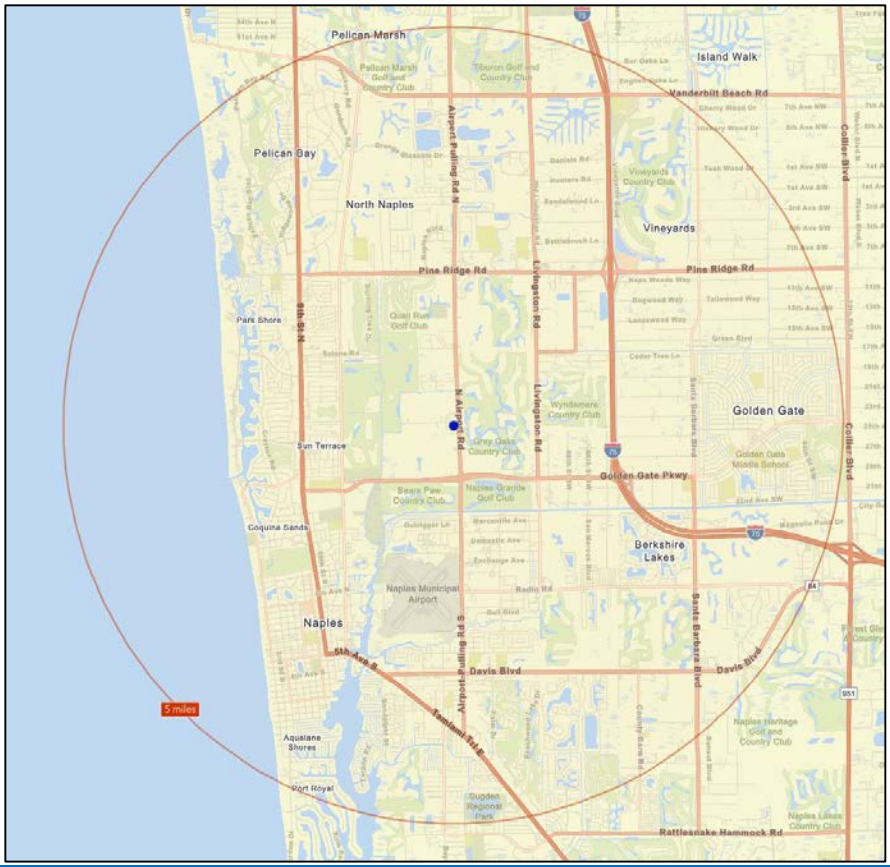
- Within a five- mile radius, 43.5% of residents relocated from their homes to independent and/or assisted living residences and 52.2% moved into the CCRC component

- Within a 10-mile radius, 20% of residents moved into an AL / IL community and 16.4% into CCRC communities.

The amenities near the subject site are additionally considered by investors and operators. The following are examples:

- Proximity to a hospital is an important factor (less so for independent living versus assisted living / memory care and skilled nursing)
- Proximity to geriatric specialties such as cancer and diabetes treatment centers are also given consideration
- Proximity to social amenities such as grocery stores, retail, and restaurants are more important to less acute seniors than those with higher acuity and less mobility.
- Proximity of other communities existing within the subject site. Prospective residents will typically consider a range of five to ten communities when seeking new senior housing arrangements (PMA should typically include a similar supply of competitors).

Based on the data presented, as well as from our analysis of competitive supply, the Primary Market Area (PMA) for the subject property is a radius of approximately 5-miles surrounding the property which is displayed on the following map.



PRIMARY MARKET AREA MAP

DEMAND ESTIMATE

The following analysis of current demand for similar senior housing uses that are situated within the subject's market area will include the following:

- Demographic trends for the local area (delineated from the demographic data presented earlier)
- Statistical data relating to the prevalence of the population requiring assistance with instrumental activities of daily living (IADLs) and activities of daily living (ADLs)
- Projected demand for the subject within its market area.

Age Qualification

ESRI Incorporated compiled the demographic data used in our analysis, which include figures for the most recent census year in 2025 and estimates/projections for the year 2030.

In the following table, we have summarized the senior population for the subject's primary market area which considers 65+ age group for seniors housing while the 45-64 age group represents the adult children.

PMA Population by Age

Age Group	2010	2025	2030	% Change 2010 - 2025	% Change 2025 - 2030
Total Pop.	133,056	143,410	145,543		
45-54	16,895	14,769	14,604	-12.58%	-1.12%
55-64	17,414	20,048	18,574	15.13%	-7.35%
65-74	19,346	24,194	24,372	25.06%	0.74%
75-84	14,226	21,258	22,829	49.43%	7.39%
85+	4,837	7,616	9,827	57.45%	29.03%
65+	38,409	53,068	57,028	38.17%	7.46%
75+	19,063	28,874	32,656	51.47%	13.10%
85+	4,837	7,616	9,827	57.45%	29.03%

Acuity Qualification

Memory Care: As a subset of assisted living, we also have considered the demand for memory care, dementia, or Alzheimer's care within the primary market area. The Alzheimer's Association, a national authority on the state of dementia and related diseases within the U.S., has published the *2020 Alzheimer's Disease Facts and Figures* study that reports the prevalence rate of Alzheimer's disease by age within the United States. This study reports the following:

- There is a total of 5.8 million Americans currently living with Alzheimer's

- The age for Americans living with Alzheimer's and other dementias is approximately 17% are age 65-74; 47% are age 75-84, and the remaining 36% are 85 and over.

We have related these figures to the total U.S. population within the same age groups to estimate the percentage of seniors within each age group living with Alzheimer's. This calculation is as follows:

Prevalence Rate of Alzheimer's / Dementia by Age						
Ages 65-74	17% x	5.8M	=	986,000 ÷	40,298,479 =	2.45%
Ages 75-84	47% x	5.8M	=	2,726,000 ÷	26,075,989 =	10.45%
Ages 85+	36% x	5.8M	=	2,088,000 ÷	6,733,102 =	31.01%

*Source: *2020 Alzheimer's Disease Facts and Figures* - Alzheimer's Association

Applying Alzheimer's prevalence rates to the PMA population results in the following age and acuity-qualified population for those in need of memory care services:

Age & Acuity-Qualified Pop. - Memory Care				
Year 2025				
	Population		% Demand	Qualified Demand
65-74	24,194	x	2.45% =	592
75-84	21,258	x	10.45% =	2,222
85+	7,616	x	31.01% =	2,362
	Qualified Population - Year 2025			5,176
Year 2030				
	Population		% Demand	Qualified Demand
65-74	24,372	x	2.45% =	596
75-84	22,829	x	10.45% =	2,387
85+	9,827	x	31.01% =	3,047
	Qualified Population - Year 2030			6,030

Income Qualification

For memory care the next consideration for the demand calculation is the ability of those seniors to afford such services within the primary market area. In examining rental comparable providing similar services within the PMA, we have determined the minimum monthly rental amount by care type. In addition, we have determined an overall annual income needed for residency within each care type, considering the following factors:

- Monthly fee as a percentage of income, income taxes, and additional income from home equity and other sources.

These assumptions include:

- A monthly fee as percentage of income of 60% for independent living, 85% for assisted living, and 90% for memory care, based on the assumption that as acuity and assistance increases, residents are less likely to have expenses outside of the community.
- Personal tax rates are assumed to be 15%.
- Home equity interest income is estimated at 4% of the median housing value within the PMA multiplied by a 90% average home equity ratio.
- Income from other sources such as the sale of assets that form the balance of the senior's net worth (stocks, bonds, etc.) is also assumed at 5% of the pre-tax income.

Based on the market rent comparables, we estimate that minimum fees in the market are roughly $4,500 per month for memory care. The minimum rate calculations by care type are presented as follows:

Annual Income Needed			MC
Minimum Monthly Fee			$4,500
Monthly Fee as Percentage of Income		÷	90%
After Tax Income Needed (Annual)			$60,000
Tax Rate		÷	85%
Pre-tax Income Needed (Annual)			$70,588
Less Additional Income from Home Equity		-	$16,056
Less Additional Income from Other Sources	@ 5%	-	$3,529
Adjusted Annual Income Needed			$51,003

The next step is to determine the quantity of seniors within the primary market area which can afford the care needed. Using ESRI data of income levels by age, we have determined the population by income bracket and their proportions of the total population for the current year as well as five years forward. This data is as follows:

PMA Households by HH Income by Age of Householder												
	Ages 65 -74				Ages 75-84				Age 85+			
Income Levels	2025		2030		2025		2030		2025		2030	
Under $15,000	920	6.41%	733	4.99%	1,066	8.00%	979	6.73%	382	8.00%	422	6.73%
$15,000 - $25,000	582	4.05%	414	2.82%	970	7.27%	736	5.06%	347	7.27%	317	5.06%
$25,000 - $35,000	674	4.70%	547	3.73%	913	6.85%	809	5.56%	327	6.85%	348	5.56%
$35,000 - $50,000	1,262	8.79%	1,004	6.84%	1,411	10.58%	1,280	8.80%	505	10.58%	551	8.80%
$50,000 - $75,000	2,767	19.28%	2,675	18.22%	2,779	20.85%	2,826	19.43%	995	20.85%	1,216	19.43%
$75,000 - $100,000	2,048	14.27%	2,087	14.21%	1,685	12.64%	1,899	13.06%	604	12.64%	817	13.06%
$100,000 - $125,000	2,119	14.76%	2,393	16.30%	1,609	12.07%	2,013	13.84%	577	12.07%	867	13.84%
$150,000 - $200,000	1,015	7.07%	1,328	9.04%	818	6.14%	1,186	8.16%	293	6.14%	511	8.16%
Over $200,000	2,968	20.68%	3,502	23.85%	2,079	15.60%	2,814	19.35%	745	15.60%	1,211	19.35%
Total	14,355	100.00%	14,683	100.00%	13,330	100.00%	14,542	100.00%	4,775	100.00%	6,260	100.00%

As the data is grouped into broad ranges of incomes rather than $1,000 increments, we have assumed an even distribution throughout each bracket. Therefore, if required incomes fall at a point within the range, the data is interpolated based on where that value falls within the income bracket.

Applying the previously determined income requirements for assisted living and memory care results in an income-qualified demand ratio as presented in the following tables. Multiplying the income-qualified demand ratio to the previously-determined age and acuity-qualified demand results in a gross demand figure for each care type, presented as follows:

Income Qualification Ratio - Memory Care								
			2025	2026	2027	2028	2029	2030
65+ Households with Income above	$51,000		22,839	23,687	24,534	25,382	26,229	27,076
Number of Total Senior Households		÷	32,460	33,065	33,670	34,275	34,880	35,485
Income-qualified Demand Ratio			70.36%	71.64%	72.87%	74.05%	75.20%	76.30%
Age & Acuity-qualified Demand		x	5,176	5,347	5,518	5,689	5,859	6,030
Age, Acuity, & Income-qualified Demand			3,642	3,830	4,021	4,213	4,406	4,601

Migration

As the current population is not the only driver of senior living demand, we have also considered the population of adult children within the PMA, as seniors often migrate closer to children when it comes time to enter a nursing home, due to their deteriorate health conditions. This fact is widely recognized by senior housing operators who indicate that market areas exhibiting a higher concentration of adults between the age of 45 and 65 can generally support a much larger supply of senior housing than would be shown through analyzing only the percentage of seniors currently residing in the market area.

Per the *Overview of Assisted Living*, approximately 38.7% of residents in combined assisted living / skilled nursing facilities (SNFs were not studied alone, nor combined IL/SNFs) migrate from a distance of 11 miles or more, which we consider to be primarily due to being closer to adult children. The national average ratio of adult children age 45-64 to seniors age 75+ is 1.13, while within the PMA it is 0.66. Applying the difference in rates means that the subject will have 38.7% of its seniors migrating towards adult children, which results in -16.3% higher than the national average. As such, we have adjusted the gross demand by -16.3%.

After adjusting for migration, the resulting gross demand is shown as follows:

Gross Memory Care Demand						
	2025	2026	2027	2028	2029	2030
Gross Demand	3,642	3,830	4,021	4,213	4,406	4,601
Outmigration	-16.3%	-16.3%	-16.3%	-16.3%	-16.3%	-16.3%
Gross MC Demand (Beds)	3,049	3,207	3,366	3,527	3,689	3,852

SUPPLY ESTIMATE

The next step in our analysis is to estimate the portion of gross demand already satisfied by the market through existing competitive supply. Accounting for these direct supply sources will allow us to estimate the net demand for new beds/units in the market.

Current and Future Supply

The following chart details the current and future supply of independent living, assisted living, and memory care beds within the subject's defined PMA.

SUPPLY SUMMARY (EFFECTIVE CAPACITY)
The Fairways of Naples

	Year: 2025			Year: 2030		
Facility	**IL**	**AL**	**MC**	**IL**	**AL**	**MC**
Existing Facilities						
Moorings Park Grande Lake	180	-	-	180	-	-
Moorings Park at Grey Oaks	106	14	24	106	14	24
Clearday Living Center	-	-	50	-	-	50
The Collier at Naples	-	62	45	-	62	45
Seascape at Naples	60	78	59	60	78	59
Beach House Assisted Living and Memory Care	-	81	32	-	81	32
Carlisle at Naples	257	93	-	257	93	-
Siena Lakes Senior Living	415	-	-	415	-	-
Terracina Senior Living	-	155	60	-	155	60
AdviniaCare Naples	-	93	-	-	93	-
The Pineapple House at Sapphire Lakes	14	62	51	14	62	51
Bradford Square	128	-	-	128	-	-
Sandalwood Village	163	-	-	163	-	-
Proposed Facilities						
Rock Road Assisted Living Facility	-	-	-	-	72	-
Subject Facility						
The Fairways of Naples	-	-	50	-	-	50
Totals	**1,323**	**638**	**371**	**1,323**	**710**	**371**

Note: Supply is expressed in beds.

NIC Maps; Data excludes buy-in CCRCs and hospital-based SNF beds.

As shown within the above chart, the PMA has several facilities. In our analysis of the subject's market, we spoke with local planning officials, market participants, as well as reviewed local news publications; as a result of our research, we are aware of a proposed facility named Rock Road which has 72-unit assisted living facility.

Informal Caregivers

Additionally, informal caregivers such as family members anecdotally represent a large proportion of care provided to seniors who are otherwise qualified for seniors housing residency. Research completed by the AARP as part of their recent publication “Valuing the Invaluable”) states that in the U.S. there were 40 million family caregivers providing care at any given point in time and providing on average 18 hours of care per week. In Florida alone, there were roughly 2.66 billion hours (1,278,846 FTEs) of informal care provided, with the entire U.S. figure being roughly 19.4 million FTEs.

Since data from the Bureau of Labor Statistics estimates the entire U.S. population of healthcare practitioners, healthcare technical occupations, and healthcare support occupations far lower at roughly 12.0 million, and research data on this topic is sparse, we believe that the literature to date currently provides no reliable method to quantify the proportion of seniors housing demand accounted for by informal caregivers.

However, since this is the final material adjustment needed to our estimated demand figures, it is possible to determine the proportion of demand satisfied by informal caregivers by use of a sensitivity test under the assumption that the national seniors housing market is essentially balanced with respect to independent and assisted living services. We believe this to be a fair assumption considering the significant development activity over the past 20+ years and generally low barriers to entry nationwide.

We have applied our fundamental supply/demand analysis to the national U.S. market (using Environics data for the senior population and NIC MAP data for the number of units/beds by care type) and have determined that the U.S. market is approximately balanced if informal care represents 20% of age, acuity, and income-qualified independent living demand and 30% of age, acuity, and income-qualified assisted living and 50% of age, acuity, and income-qualified memory care demand. These figures seem reasonable on an absolute basis at one-fifth to one-half of demand and also on a relative basis since it is more difficult for a family member to provide care for their loved one as the acuity level increases.

NET DEMAND INDICATION

The final step in our demand estimate is subtracting the existing supply and alternative care options from the gross demand, resulting in a net demand of beds (positive), or an oversupply of beds (negative).

Memory Care: As memory care is a subset of assisted living, we have subtracted both the memory care supply and standard assisted living supply in our memory care demand calculation. As reported by The Assisted Living Overview, on average 36% of residents in freestanding assisted living residences (those with no secured memory care area) actually do have memory care needs; thus, we have also subtracted 36% of the assisted living supply from the gross memory care demand. Similarly, we estimate that approximately 10% of residents in the PMA's nursing facilities have memory care needs in addition to their ADL needs, and we have subtracted this amount as well. This is adjustment is intended to reflect seniors whose ADL needs make them appropriate for a skilled nursing setting but who also have dementia care needs and therefore appear in the gross demand numbers prior to the adjustment.

Net Memory Care Demand							
		2025	2026	2027	2028	2029	2030
Gross MC Demand (Beds)		3,049	3,207	3,366	3,527	3,689	3,852
Demand Filled by Informal Caregivers (50%)	-	1,524	1,603	1,683	1,763	1,844	1,926
Demand Filled by ALRs (36% of AL supply)	-	67	67	93	93	93	93
Demand Filled by SNFs (10% of SN supply)	-	0	0	0	0	0	0
Memory Care Supply	-	371	371	371	371	371	371
Net Memory Care Demand		1,087	1,165	1,219	1,299	1,381	1,462

According to the calculations, the memory care segment has current excess demand of 1,087 beds with strong gross annual growth of 161 beds per year to 2030 excess demand of 1,462 beds.

Conclusion: The subject's PMA currently shows surplus demand for memory care services. Demand factors for senior housing services are expected to strengthen over the next five years, which bodes well for the community. The indicated demand for memory care services is sufficient to absorb any of the subject's vacant beds if they become available. In all, we believe that the subject will remain at stabilized levels and, thus, will be well occupied for the foreseeable future.

Subject Property Analysis

MANAGEMENT REVIEW

The management entity for the subject is Distinctive Living, LLC. Management maintains a personalized service plan, which can be amended if necessary. All potential residents undergo a health evaluation before entrance into the facility. Furthermore, the aging-in-place and out-placement policies appear to be reasonable and well implemented. Services at the facility are typical for this type of senior living property. As such, we conclude the subject's ability, if needed, to attract a third-party management vendor would be good. Our analysis assumes industry-consistent staffing levels and that the subject meets all mandated staffing thresholds.

FACILITY LICENSE

The subject is licensed as follows.

License Capacity	
Memory Care:	60 Beds
Total	**60 Beds**

PROPERTY STRENGTHS AND WEAKNESSES

Based on our review of the subject's physical plant and reported operations, we have summarized what we consider to be the strengths and weaknesses for the property. These are presented in the following summary.

The Fairways of Naples
Strengths:
• Excellent visibility on a major roadway • Very good reputation in local market area for quality care • Proximate to nearby medical services • Good quality FF&E • Physical plant is well maintained and subject has good curb appeal • Historically stable census • Strong community relations and marketing program • Facility has a modern design with above average common areas • Good residential feel • Good indicated demand with strong growth • Access to site is very good
Weaknesses:
• The subject's smaller size limits its ability to achieve economies of scale compared to larger competitors • Staffing issues remain an industry-wide problem

Site Features	
Street Address:	3053 Airport-Pulling Rd N, Naples, Collier County, Florida 34105
Site Size:	387,684± square feet; 8.90± acres (source: Assessment Records)
Excess Land:	The improvements take up substantially the entire subject site; there is no excess land.
Shape:	Roughly rectangular.
Frontage:	Site is not a corner lot; primary frontage is along Airport-Pulling Road North and secondary frontage along Coach House Lane.
Access:	Property has average access.
Visibility:	Average
Topography:	The subject has level topography and is at street grade.
Utilities:	The subject is served by utilities that are typical for the market area.
Wetlands/Watershed:	The entire site is usable.
Environmental Issues:	During our site visit we noted no hazardous substances, adverse soil conditions, or environmental issues. Please reference Limiting Conditions and Assumptions.
Encumbrance/Easements:	We were not provided with a survey for the subject site and assume that there are no adverse encumbrances or easements. We assume that the site has typical drainage and utility easements along the perimeter. Please reference Limiting Conditions and Assumptions.
Site Comments:	The site seems to have good overall utility that is functional for the intended use.
Flood Zone:	The subject property is located on FEMA Map Number 12021C0392J, dated February 8, 2024, and has a designation of FEMA Zone AE. This district is assigned to areas subject to inundation by the 1% annual chance flood event determined by detailed methods. Base Flood Elevations (BFEs) are shown. Mandatory flood insurance purchase requirements and floodplain management standards apply.

Site Improvements	
Site Description:	The site plan consists of two access points, one on the northwest side of the site off of Coach House Lane and the other at the southeast side of the site off of Airport-Pulling Road North. The building improvements are located on the north side of the site and there is parking surrounding the building improvements.
Site Improvements:	These improvements primarily include signage, pole-mounted lighting, parking areas, and a concrete walkway.
Parking:	49 parking spaces, including 5 spaces designated for handicapped use.

ZONING

The subject property is zoned Commercial (C-3) by the Collier County. Permitted uses include barber shops, child day care, schools, group care facilities, health services, fitness centers, and banks.

We are not experts in the interpretation of zoning ordinances. A qualified land use/zoning expert should be engaged if there are any zoning concerns or if a determination of compliance with zoning is required.

Please note that analyzing the zoning requirements in relation to the subject property and determining conformance of the existing use, as well as researching deed restrictions, private or public, that may further limit the subject property's use is beyond the scope of this appraisal assignment. Deed restrictions are a legal matter and only a title examination by an attorney or Title Company can usually uncover such restrictive covenants. Thus, we recommend a title search to determine if any such restrictions do exist.

BUILDING IMPROVEMENTS

The subject is an existing memory care facility that was built in 2021. The subject Is a one-story in height and the improvements are of excellent quality construction and are in excellent condition. The building has interior courtyards in the middle of the building improvements. The building contains the commercial kitchen, dining room, therapy room, maintenance office, laundry, and a salon. A summary of the unit mix is presented as follows:

UNIT MIX AND DISTRIBUTION
The Fairways of Naples

	Memory Care		Total	
Unit / Bed Mix	**Units**	**Beds**	**Units**	**Beds**
Studio	50	50	50	50
Totals	50	50	50	50
Unit Distribution				
Studio	100.0%			100.0%
Building Metrics				
Gross Building Area (GBA)				36,946

Compiled by Newmark

General Description	
Property Type:	Memory Care Residence
Year Built:	2021
Renovated:	None
# of Buildings / Stories:	One / One
Gross Building Area:	36,946± square feet (source: Assessment Records)
Quality:	Above Average
Condition:	Above Average
Deferred Maintenance:	We noted no signs of deferred maintenance during our inspection.
MVS Ratings:	Excellent quality / Class D construction
Remaining Life:	Via the utilization of Marshall Valuation Service, we estimate the subject has a total life expectancy of 60 years. With consideration of the subject's age and condition, among other factors, we estimate the subject's effective age is 1 years which results in a remaining useful life estimate of 59 years. We also estimate the subject's remaining economic life at 59 years.

Foundation, Frame & Exterior	
Foundation:	Poured concrete slab
Basement:	None
Structural Frame:	Wood Frame
Exterior Wall Cover:	Stone Veneer and Stucco
Windows:	Double pane in aluminum frames
Roof Type / Cover:	Hip / Clay Tile

Interior Description	
Floor Cover:	A mix between carpet, vinyl sheet / VCT, vinyl wood, and tile.
Interior Wall Cover:	Painted Drywall
Ceiling:	Painted Drywall
Interior Lighting:	A mix of fluorescent and incandescent lighting.
Common Restrooms:	The facility appears to have a sufficient number of common area restrooms that are accessible to staff, residents and/or guests
Resident Rooms:	Finishes within the resident unit include carpet in the bedrooms, and laminate wood in the bathroom. Base lighting throughout each unit.
In-Unit Kitchens:	The facility is serviced by a community kitchen.
In-Unit Bathrooms:	Each living unit has a full bathroom with a sink, walk-in shower, and toilet.

Mechanical Systems	
Heating/Cooling:	Central air
Sprinkler:	The improvements are fully fire sprinklered with a wet system.
Elevators:	Not applicable
Security:	Secured entry and pull-cords in units
Emergency Power:	Improvements have a backup Generac generator.

FF&E / Personal Property

Personal property (furnishings, fixtures and equipment) which is considered in our value estimates include all of the equipment required to operate the building as a memory care residence. This equipment includes all common area, any operator provided room furnishings, kitchen equipment, and laundry equipment. Residents may bring their own furnishings.

REAL ESTATE ASSESSMENT AND TAXES

The subject's assessment is determined by Collier County. The following chart shows the subject's parcel identification number as well as the most recent tax assessor market value estimates, tax assessment, and taxes. There is a $25,000 exemption for personal property taxes.

SUBJECT TAXES

The Fairways of Naples

	Tax Assessor Market Values:			Real Property:		Personal Property:	
Parcel ID	Land	Building	Total	Assessment	Taxes	Assessment	Taxes
25347000065	$1,541,526	$6,166,104	$7,707,630	$7,707,630	$73,762	$434,413	$4,157
Totals:	$1,541,526	$6,166,104	$7,707,630	$7,707,630	$73,762	$434,413	$4,157
Per Bed:				$154,153	$1,475	$8,688	$83

Taxing Authority/Jurisdiction:	Collier County	
Tax Year:	2024	
Real Property Millage Rate:	9.57000	Per $1,000
Real Property Assessment Ratio:	100.000%	
Personal Property Millage Rate:	9.57000	Per $1,000
Personal Property Assessment Ratio:	100.000%	
Total Real & Personal Property Taxes:	**$78,000**	**(Rounded)**

As market value conclusions are predicated on the sale of the subject as of the effective date of the report. According to our conversation with a representative at the assessor's office, a sale of the subject property would automatically trigger a reassessment, which would consider the sale price of the property.

Property Tax Comparisons

To determine if our assessed value and corresponding taxes on the property are reasonable, we examined the actual assessed value of other similar type properties throughout the area and compared them to the subject on a 'per bed' basis. We find it reasonable to compare the assessed value rather than the resultant taxes since tax comparables often carry varying municipal millage rates. Therefore, the 'per bed' assessed value is the most direct means of comparison. Please note that the subsequent tax comparison analysis includes real property only as personal property assessments are often self-reported and can vary greatly depending on accounting methods and depreciation schedules.

For senior living facilities, few assessors have the knowledge, expertise or training to accurately value such properties. Part of the value of a well performing seniors housing property is intangible business value, which is not subject to ad valorem taxation. As under-assessments are typical, another means for evaluating an assessed value is to compare assessed values for similar properties in the same, or nearby, assessment districts.

These are illustrated in the following table.

REAL PROPERTY TAX COMPARISON						
The Fairways of Naples						
	Year	No. of	Assessed Values:		Property Taxes:	
Property Name	Built	Beds	Total	Per Bed	Taxes	Per Bed
Seascape at Naples	2019	197	$26,299,970	**$133,502**	$251,691	**$1,278**
Beach House	2016	113	$16,399,632	**$145,129**	$165,144	**$1,461**
Bradford Square	2017	128	$27,495,425	**$214,808**	$273,351	**$2,136**
The Pineapple House	2020	127	$14,886,293	**$117,215**	$152,677	**$1,202**
Subject - Current The Fairways of Naples	**2021**	**50**	$7,707,630	$154,153	$73,762	$1,475

On a per bed basis, the subject's assessed value and real estate taxes are within the range of the comparables. We have estimated property to increase by 3.0% in our proforma. In all, we estimate a combined real and personal property tax liability of $81,000 (rounded) is reasonable for the subject. This estimate is used in our Year 1 stabilized proforma for the Income Capitalization Approach.

Highest And Best Use

HIGHEST AND BEST OF SITE AS IF VACANT

Legally Permissible

The site is zoned C-3 which permits the following uses: barber shops, child day care, schools, group care facilities, health services, fitness centers, and banks. Aside from the site's zoning regulations, we are not aware of any legal restrictions that limit the potential uses of the subject.

Physically Possible

The subject site contains 8.90± acres, and the overall utility of the site is considered good. The site is served by all public utilities including public water and sewer, gas, electric, and telephone. Overall, the site is considered adequate to accommodate most permitted development possibilities.

Financial Feasibility and Maximum Profitability

After analyzing the physically possible and legally permissible uses of the property, the highest and best use must be considered in light of financial feasibility and maximum profitability.

To be feasible, a potential use would need to provide a sufficient return on capital and a positive net income or acceptable rate of return would indicate that a use is financially feasible. Of the uses that are allowed, the one that is maximally productive would be considered the highest and best use.

As will be shown, the stabilized market value estimate for the subject property (TAB) indicates that the subject improvements are an economically feasible use of the land.

Considering all factors involved, including zoning, physical characteristics, the financial feasibility of these uses, as well as the current market conditions, we have concluded that the highest and best use of the site, as if vacant, is for immediate development with a senior housing use. The most probable buyer would be a regional or national seniors housing developer.

HIGHEST AND BEST USE AS IMPROVED

According to the Dictionary of Real Estate Appraisal, highest and best use of the property as improved is defined as:

> *The use that should be made of a property as it exists. An existing improvement should be renovated or retained "as is" so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.*

In analyzing the highest and best use of a property as improved, it is recognized that the improvements should continue to be used until it is financially advantageous to alter physical elements of the structure or to demolish it and build a new one. The highest and best use as improved must meet the same criteria as the highest and best use as though vacant.

The current use as a memory care residence is a permitted use of the land. The design, layout, as well as average size per bed of the facility are consistent with industry norms for this property type in this market and appear to be functional for the current use. We know of no municipal actions or covenants forthcoming that would require a change to the current improvements.

Alternative uses for the improvements, however, would be limited due to the overall design of the subject. These include smaller resident units, specialty healthcare build out, no individual cooking facilities, shared baths, high common area ratio, and no exterior unit entrances. As a result, any conversion to an alternative use would be costly. As such, it is our opinion that the highest and best use is as currently improved. The most probable buyer is a regional or national seniors housing operator or investor.

Appraisal Methodology

COST APPROACH

The cost approach is based on the proposition that the informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements that represent the highest and best use of the land, or when it is improved with relatively unique or specialized improvements for which there exist few sales or leases of comparable properties.

SALES COMPARISON APPROACH

The sales comparison approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject. Valuation is typically accomplished using physical units of comparison such as price per square foot, price per unit, price per floor, etc., or economic units of comparison such as gross rent multiplier. Adjustments are applied to the property units of comparison derived from the comparable sale. The unit of comparison chosen for the subject is then used to yield a total value.

INCOME CAPITALIZATION APPROACH

The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

Applicability Of Approaches

The appraisal process concludes with the Final Reconciliation of the values derived from the approaches applied for a single estimate of market value. Different properties require different means of analysis and lend themselves to one approach over the others. The approaches that were used in the analysis of the subject are as follows:

- The Cost Approach was considered and was not developed because the age of the improvements makes depreciation difficult to accurately measure. Additionally, the most probable purchaser would place no weight on this approach.
- The Sales Comparison Approach was considered and was developed because there is adequate data to develop a value estimate, and this approach reflects market behavior for this property type.
- The Income Capitalization Approach was considered and was developed because the subject is an income producing property and there is adequate data to develop a value estimate with this approach.

Sales Comparison Approach

The sales comparison approach value is derived by analyzing closed sales, listings, or pending sales of properties that are similar to the subject. The sales comparison approach includes the following steps.

- Research and verify information on properties in the competitive market that are similar to the subject and that have recently sold, are listed for sale, or are under contract.
- Select the most relevant units of comparison in the market and develop a comparative analysis. The most meaningful unit of values for properties such as the subject is price per square foot, price per unit and/or bed.
- Examine and quantify via adjustments differences between the comparable sales and the subject property using all appropriate elements of comparison.
- Reconcile the various value indications to a value bracket and then a single value indication.

This approach is utilized to provide a value estimate of the subject in “As Is” condition.

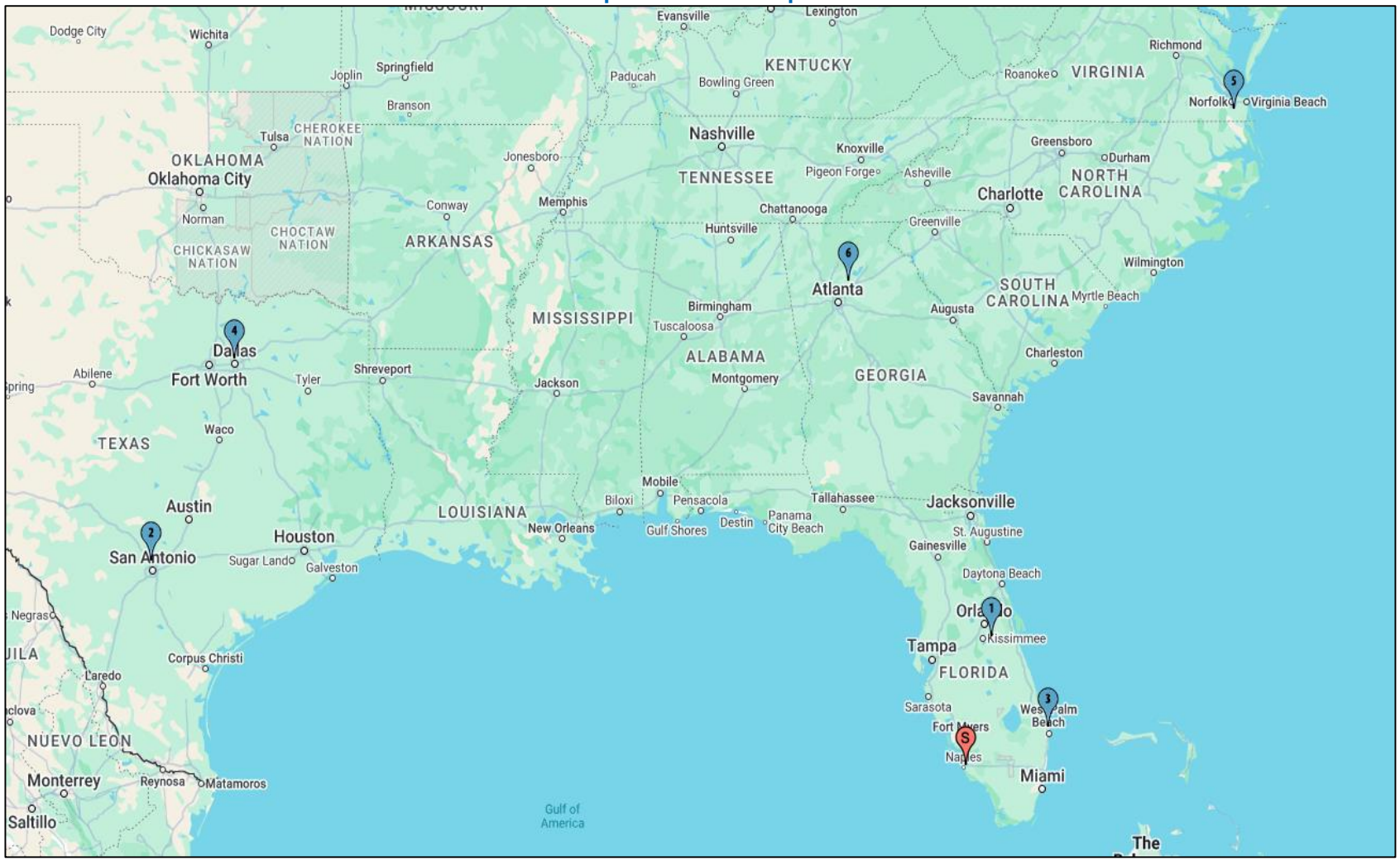
SELECTION OF SALE COMPARABLES

We conducted our search for comparable sales on the regional level since there are typically not enough recent sales of comparable facilities in a single state to reliably perform a sales comparison analysis. Our search for comparable sales resulted in multiple transactions that are useful in estimating value of the subject property. While this search provided several sales, the selected comparables are among the most similar to the subject. A chart providing an overview of the comparable sales utilized in our analysis is presented below; a location map and data sheets for each comparable are also included on the following pages.

IMPROVED SALES SUMMARY

Comp	Name	State	Date	Price	Price/Bed	No. of Beds	Year Built
1	Benton House of Narcoossee	Florida	Sep-24	$17,900,000	$248,611	72	2022
2	Heartis San Antonio	Texas	Jul-23	$36,000,000	$330,275	109	2016
3	Palm Beach Memory Care	Florida	Jun-23	$17,000,000	$283,333	60	2022
4	The Preston of the Park Cities	Texas	Mar-23	$52,000,000	$390,977	133	2018
5	Bickford of Chesapeake	Virginia	Feb-23	$17,300,000	$288,333	60	2022
6	Celebration Village Forsyth	Georgia	Feb-23	$95,000,000	$404,255	235	2018

Improved Sales Map



SENIOR HOUSING TRANSACTION COMPARABLE 1

Facility Name	**Benton House of Narcoossee**
Address	2910 N Narcoossee Rd Saint Cloud, Florida
Folio Parcel ID	08-25-31-3564-0001-00D0
Property Type	Assisted Living Residence with Memory Care

Transaction Data

Transaction Price	**$17,900,000**	**Transaction Status**	**Closed**
Price Per Bed	**$248,611**	**Transaction Date**	**September 2024**
Rights Conveyed	Fee Simple	**Recording Number**	6677-0795
Conditions of Sale	Arms-Length	**Financing**	Typical
Grantor	Narcoossee SLP LLC		
Grantee	Sonida St Cloud LLC		
Verification Source	Broker		

Site & Improvements

Year Built	2022	**Building Size (GBA)**	49,011 SF
Number of Beds	72	**Number of Stories**	1
Building Condition	Above Average	**Land Acres**	4.180 Acres
Building Quality	Above Average	**Land Square Feet**	182,081 SF
Flood Zone	Zone AE		

Financial Data

CAP Rate (OAR)	7.75%
Occupancy	93.0%

Remarks

The property formerly known as Benton House of Narcoossee was sold and subsequently rebranded as The Addison of Narcoossee. The sale was part of a broader portfolio acquisition by a national senior housing operator and included several newly developed assisted living and memory care communities. At the time of sale, the property was operating at stabilized levels, and the broker identified the market as experiencing growth and continued demand for senior housing services.

SENIOR HOUSING TRANSACTION COMPARABLE 2

Facility Name	**Heartis San Antonio**
Address	15430 Huebner Rd San Antonio, Texas
Folio Parcel ID	16902-023-0060
Property Type	Assisted Living Residence with Memory Care

Transaction Data

Transaction Price	**$36,000,000**	**Transaction Status**	**Closed**
Price Per Bed	**$330,275**	**Transaction Date**	**July 2023**
Rights Conveyed	Fee Simple	**Recording Number**	20230131414
Conditions of Sale	Arms-Length	**Financing**	Typical
Grantor	Heartis San Antonio Partners LP		
Grantee	15430 Huebner Road Property Owner LLC		
Verification Source	Confidential		

Site & Improvements

Year Built	2015	**Building Size (GBA)**	86,668 SF
Number of Beds	109	**Number of Stories**	3
Building Condition	Above Average	**Land Acres**	3.640 Acres
Building Quality	Above Average	**Land Square Feet**	158,558 SF
Flood Zone	Zone X		

Financial Data

CAP Rate (OAR)	7.00%
Occupancy	88.0%

Remarks

This sale was a 101-unit assisted living and memory care complex in far North Central San Antonio. There was a reported 7% cap rate yielding a net operating income of $2,520,000.

SENIOR HOUSING TRANSACTION COMPARABLE 3

Facility Name	**Palm Beach Memory Care**
Address	639 U.S. Hwy 1 North Palm Beach, Florida
Folio Parcel ID	68-43-42-16-34-001-0000
Property Type	Memory Care Residence

Transaction Data

Transaction Price	**$17,000,000**	**Transaction Status**	**Closed**
Price Per Bed	**$283,333**	**Transaction Date**	**June 2023**
Rights Conveyed	Fee Simple	**Recording Number**	34396-1477
Conditions of Sale	Arms-Length	**Financing**	Typical
Grantor	Silver Companies		
Grantee	Alta Senior Living		
Verification Source	Confidential		

Site & Improvements

Year Built	2022	**Building Size (GBA)**	37,119 SF
Number of Beds	60	**Number of Stories**	1
Building Condition	Average	**Land Acres**	2.454 Acres
Building Quality	Average	**Land Square Feet**	106,907 SF
Flood Zone	Zone X		

Remarks

Silver Companies has sold the Palm Beach Memory care facility in North Palm Beach Florida for $17 million. The facility sits on a 2.44 acre lot and is a senior housing asset with 60 units.

SENIOR HOUSING TRANSACTION COMPARABLE 4

Facility Name	**The Preston of the Park Cities**
Address	5917 Sherry Ln Dallas, Texas
Folio Parcel ID	005625000309A0000
Property Type	Assisted Living Residence with Memory Care

Transaction Data

Transaction Price	**$52,000,000**	**Transaction Status**	**Closed**
Price Per Bed	**$390,977**	**Transaction Date**	**March 2023**
Rights Conveyed	Fee Simple	**Recording Number**	202300053334
Conditions of Sale	Arms-Length	**Financing**	Typical
Grantor	Sgd-bv Park Cities LP		
Grantee	SHI-IV Preston Owner LLC		
Verification Source	Confidential		

Site & Improvements

Year Built	2018	**Building Size (GBA)**	150,188 SF
Number of Beds	133	**Number of Stories**	8
Building Condition	Above Average	**Land Acres**	0.868 Acres
Building Quality	Above Average	**Land Square Feet**	37,825 SF
Flood Zone	Zone X		

Financial Data

Occupancy	71.0%

Remarks

On March 14th, 2023, the 120,000 square foot/129-unit assisted living facility, The Preston of the Park Cities in Dallas, Texas sold for $52,000,000. Located at 5905 Sherry Lane, the class B facility, delivered in 2018, sits on .87 acres. The Preston of the Park Cities offers both assisted living and memory care and has studio, one-bedroom, and two-bedroom units. The facility also boasts a spa, salon, fitness center, and gourmet dining. At the time of the sale, the property had a negative NOI and was still in the lease-up phase.

SENIOR HOUSING TRANSACTION COMPARABLE 5

Facility Name	**Bickford of Chesapeake**
Address	361 Great Bridge Blvd Chesapeake, Virginia
Folio Parcel ID	0360000001780
Property Type	Assisted Living Residence

Transaction Data

Transaction Price	**$17,300,000**	**Transaction Status**	**Closed**
Price Per Bed	**$288,333**	**Transaction Date**	**February 2023**
Rights Conveyed	Fee Simple	**Recording Number**	10637-1894
Conditions of Sale	Arms-Length	**Financing**	Conventional
Grantor	Bickford Of Chesapeake LLC		
Grantee	NHI-Bickford RE LLC		
Verification Source	Confidential		

Site & Improvements

Year Built	2022	**Building Size (GBA)**	43,032 SF
Number of Beds	60	**Number of Stories**	1
Building Condition	Above Average	**Land Acres**	4.182 Acres
Building Quality	Above Average	**Land Square Feet**	182,168 SF
Flood Zone	Zone X		

Financial Data

CAP Rate (OAR)	8.01%
Occupancy	90.0%

Remarks

This is the sale of a leased assisted living and memory care facility. The buyer reported an initial cash lease yield of 8% as the property was added to an existing master lease with the seller. This yield equates to an in place NOI of $1,384,000. The information was obtained from the buyers 8-K.

SENIOR HOUSING TRANSACTION COMPARABLE 6

Facility Name	**Celebration Village Forsyth**
Address	3000 Celebration Boulevard Suwanee, Georgia
Folio Parcel ID	20010800470, 20010800560, 20010800570, 20010900580
Property Type	Independent and Assisted Living Residence with Memory Care

Transaction Data

Transaction Price	**$95,000,000**	**Transaction Status**	**Closed**
Price Per Bed	**$404,255**	**Transaction Date**	**February 2023**
Rights Conveyed	Fee Simple	**Recording Number**	10924/0679
Conditions of Sale	Arms-Length	**Financing**	Typical
Grantor	Celebration Village Acworth LLC		
Grantee	CPF Living Communities III - Acworth LLC		
Verification Source	Agent		

Site & Improvements

Year Built	2018	**Building Size (GBA)**	306,389 SF
Number of Beds	235	**Number of Stories**	2
Building Condition	Above Average	**Land Acres**	2.000 Acres
Building Quality	Above Average	**Land Square Feet**	87,120 SF
Flood Zone	Zone X		

Financial Data

CAP Rate (OAR)	6.00%

Remarks

This comparable represents a 235-unit senior housing facility located at 3000 Celebration Boulevard, Suwanee, Georgia. The facility includes independent living, assisted living, and memory care. The property was constructed in 2018 and reported to be in good condition. According to a representative for this property, the comparable sold as part of a two property portfolio in February 2023. The allocated purchase price was $95,000,000 or $404,255 per unit. NOI was reported to be $5,700,000, indicating a cap rate of 6.00%.

PRICE PER BED ANALYSIS

For this property type, the most common method of comparison is price per bed. Although this method does not directly account for the income and operating characteristics of a property, it does provide a general means of traditional comparison.

Property Rights Sold Or Conveyed

All of the sales utilized in this analysis involved the transfer of the Fee Simple interest. Since we are appraising the Fee Simple interest of the subject, no adjustments are required.

Financing

To the best of our knowledge, all of the sales utilized in this analysis were accomplished with cash equivalent financing. Therefore, no adjustment for financial terms is required for the comparables.

Conditions of Sale

Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. In many situations, the conditions of sale may significantly affect transaction prices. All sales used in this analysis are considered to be "arms-length" market transactions between both knowledgeable buyers and sellers on the open market. Therefore, no adjustments for conditions of sale are required for the comparables.

Market Conditions

The passage of time does not necessarily warrant an adjustment. However, fluctuations in market conditions (e.g., supply, demand, macro-economic conditions) may result in appreciation (increases in property values), or depreciation (declines in property values) over time. The comparable sales analyzed are representative of the most recent, comparable, arm's-length sales that we could obtain. None of the sales analyzed are resales, nor are they similar enough to one another to extract a time adjustment.

Many participants in the market have become aware of the shifts within the economic landscape, which is driven by market inflation and escalating interest rates. While the recognition of these factors has shifted the market dramatically, the improved sales used are very recent, and there hasn't been a significant change. Therefore, no adjustments have been made due to market conditions.

Location

An adjustment for location is required when the locational characteristics of a comparable property are different from those of the subject property. Negative adjustments are made to those comparables considered superior in location versus the subject. Conversely, positive adjustments are made to those comparables considered inferior.

In this case, location adjustments are based on local housing prices. Thus, we have made the following adjustments.

Location Adjustment						
	Benton House of	Heartis San Antonio	Palm Beach Memory	The Preston of the	Bickford of	Celebration Village Forsyth
Comp. No.	1	2	3	4	5	6
Median Home Price (Comparable)	$460,000	$510,000	$620,000	$1,980,000	$380,000	$640,000
Subject's Median Home Price	$470,000	$470,000	$470,000	$470,000	$470,000	$470,000
Difference in Home Price	2.17%	-7.84%	-24.19%	-76.26%	23.68%	-26.56%
Adjustment	0.0%	0.0%	-5.0%	-20.0%	5.0%	-5.0%

Property Size (Number of Units/Beds)

The number of beds in a facility can vary greatly, and an adjustment to account for a size variance may be required. Size variances often impact purchase price from both an operational perspective and a market perspective.

The comparables vary somewhat in size compared to the subject. However, the sales are considered to operate with similar economies to the subject and, as such, no adjustment for size is warranted.

Age (Year Built)

Since many senior living facilities are renovated or have built additions over their lifetime, we have taken this into account in determining the appropriate comparable adjustments. No adjustments for age have been made.

Quality

The overall physical quality of a seniors housing community affects the price a buyer is willing to pay.

We have classified the comparables in three general categories of physical quality: below average, average, and above average. As these are very broad classifications, there may be small variances within the same quality rating which is adjusted where applicable. Facilities with above-average quality of construction, high end finishes, more extensive amenities offerings, above average operational utility, and superior physical appeal are considered above average while lower end facilities with below average construction quality, minimal amenities and finishes, very basic FF&E, and fair or below average overall physical appeal are considered below average for the purpose of our quality adjustment. An adjustment was made to improved sale 3.

Occupancy

This adjustment considers the actual occupancy at the time of sale versus that of the subject. An investor will likely pay less for an asset with a low occupancy level to offset the time and expense associated with increasing the occupancy.

While the comparable facilities were operating at varying census levels at the time of sale, each was considered to be stabilized besides sale 4, therefore an adjustment was made to this sale.

On the following page is a sales comparison grid displaying the subject property, the comparables, and the adjustments that were applied.

IMPROVED SALES ANALYSIS GRID							
Improved Sales	**SUBJECT**	**Comp No. 1**	**Comp No. 2**	**Comp No. 3**	**Comp No. 4**	**Comp No. 5**	**Comp No. 6**
Name	The Fairways of Naples	Benton House of Narcoossee	Heartis San Antonio	Palm Beach Memory Care	The Preston of the Park Cities	Bickford of Chesapeake	Celebration Village Forsyth
City	Naples	Saint Cloud	San Antonio	North Palm Beach	Dallas	Chesapeake	Suwanee
State	Florida	Florida	Texas	Florida	Texas	Virginia	Georgia
Transaction Status	–	Closed	Closed	Closed	Closed	Closed	Closed
Transaction Date	–	Sep-24	Jul-23	Jun-23	Mar-23	Feb-23	Feb-23
Price	–	$17,900,000	$36,000,000	$17,000,000	$52,000,000	$17,300,000	$95,000,000
Price/Bed	–	$248,611	$330,275	$283,333	$390,977	$288,333	$404,255
Transaction Adjustments							
Property Rights	–	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Financing	–	Typical	Typical	Typical	Typical	Conventional	Typical
% Adjustment		0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Conditions of Sale	–	Arms-Length	Arms-Length	Arms-Length	Arms-Length	Arms-Length	Arms-Length
% Adjustment		0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Market Conditions							
% Adjustment	–	0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Adjusted Prices		$248,611	$330,275	$283,333	$390,977	$288,333	$404,255
Property Adjustments							
Location							
% Adjustment	–	0%	0%	-5%	-20%	5%	-5%
$ Adjustment		$0	$0	($14,167)	($78,195)	$14,417	($20,213)
Number of Beds	50	72	109	60	133	60	235
% Adjustment		0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Year Built	2021	2022	2016	2022	2018	2022	2018
% Adjustment		0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Quality	Above Average	Above Average	Above Average	Average	Above Average	Above Average	Above Average
% Adjustment		0%	0%	5%	0%	0%	0%
$ Adjustment		$0	$0	$14,167	$0	$0	$0
Occupancy	93.0%	93.0%	Stabilized	Stabilized	71.0%	90.0%	Stabilized
% Adjustment		0%	0%	0%	10%	0%	0%
$ Adjustment		$0	$0	$0	$39,098	$0	$0
Adjusted Price Per Bed		**$248,611**	**$330,275**	**$283,333**	**$351,879**	**$302,750**	**$384,042**
Net Adjustments	–	0%	0%	0%	-10%	5%	-5%
Gross Adjustments	–	**0%**	**0%**	**10%**	**30%**	**5%**	**5%**

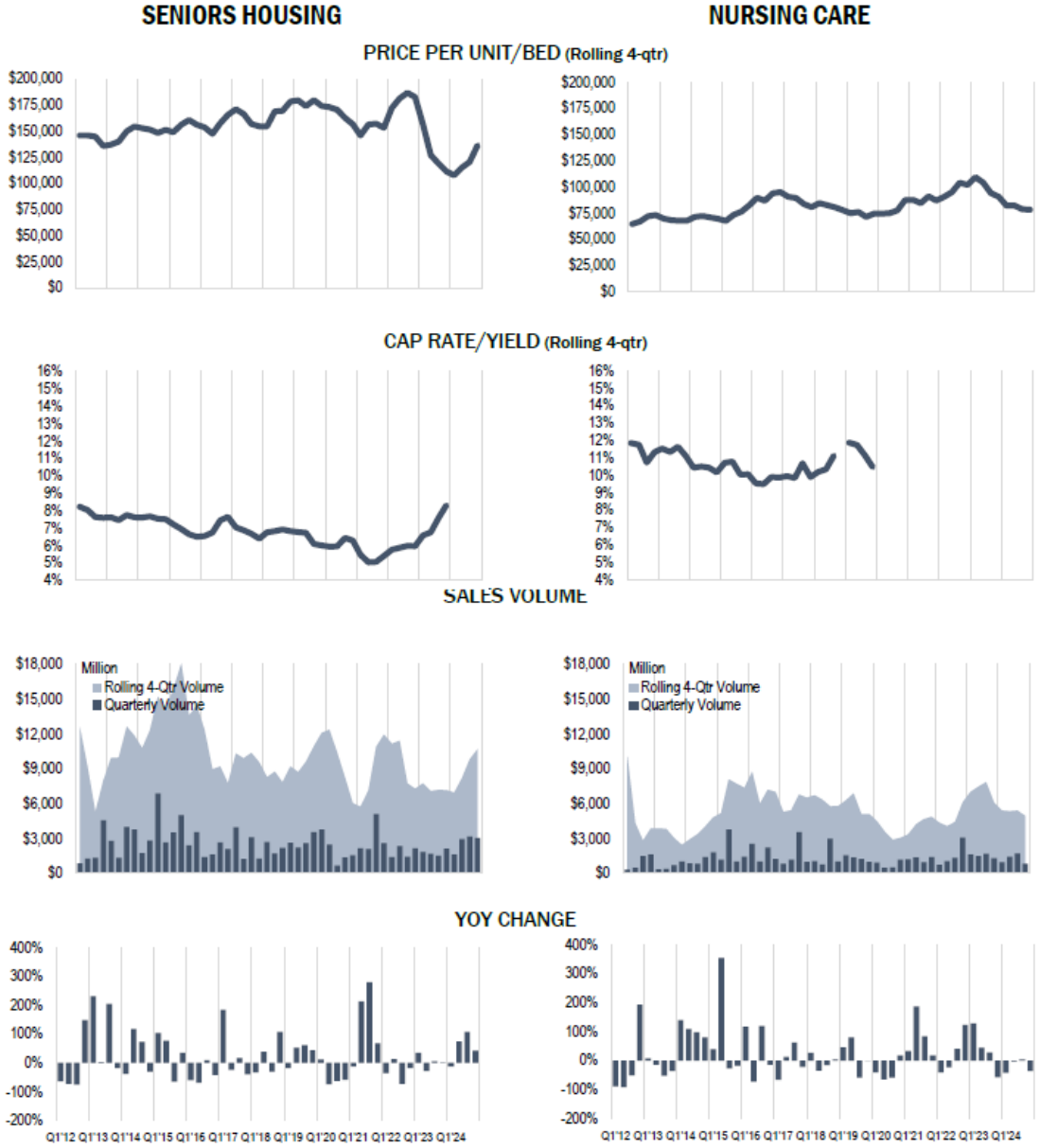
National Benchmarks

Seniors Housing & Care Transactions Price Per Unit Distribution

US QUARTERLY REPORT - Q4 2024

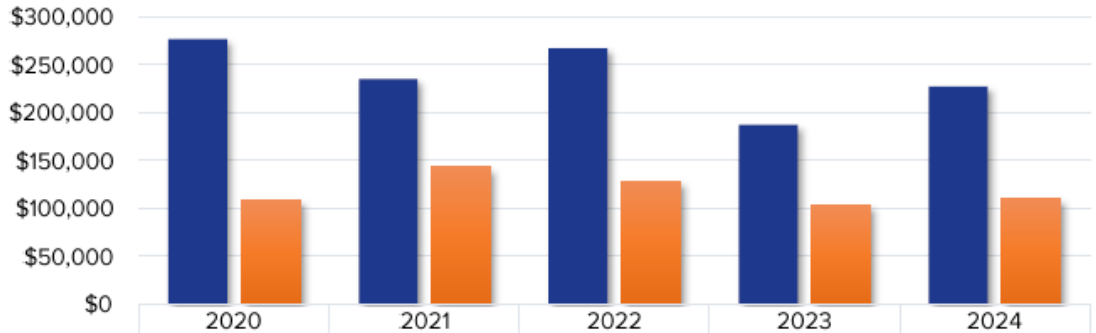
Investment Trends

Over the past four quarters, Seniors housing transaction volume reached $10.7 billion, up 49% year over year. Activity for nursing care reached $4.9 billion, falling 19% from the prior year. Transaction volume for Seniors housing & care totaled $15.6 billion over the same time frame.



Source: NIC MAP Data, power by NIC MAP Vision; Real Capital Analytics

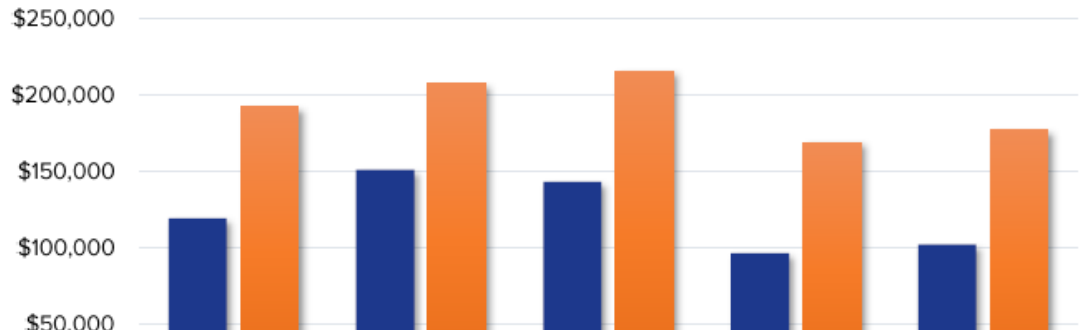
Average Price per Unit: Stabilized vs. Non-Stabilized AL Communities (2020 - 2024)



	2020	2021	2022	2023	2024
Stablized	$276,800	$235,000	$266,700	$187,400	$227,200
Non-Stabilized	$108,100	$143,000	$128,000	$102,700	$110,300

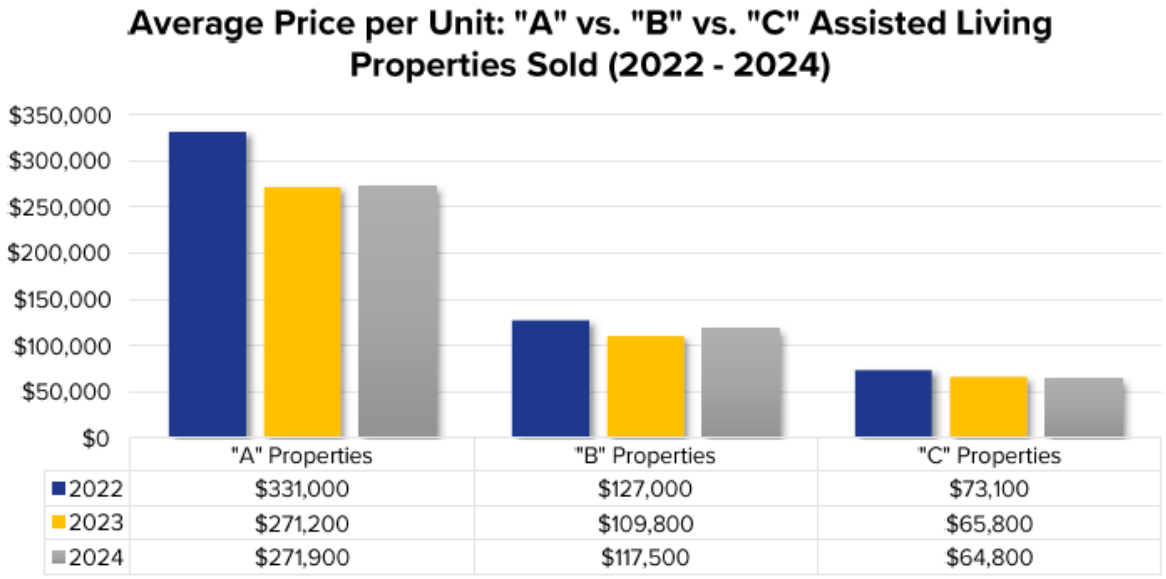
Source: The Senior Care Acquisition Report, 2025

Average Price per Unit: AL vs. AL/MC (2020 - 2024)



	2020	2021	2022	2023	2024
Assisted Living	$118,800	$150,700	$142,800	$95,700	$101,600
AL/MC	$191,800	$207,100	$215,600	$168,700	$177,100

Source: The Senior Care Acquisition Report, 2025

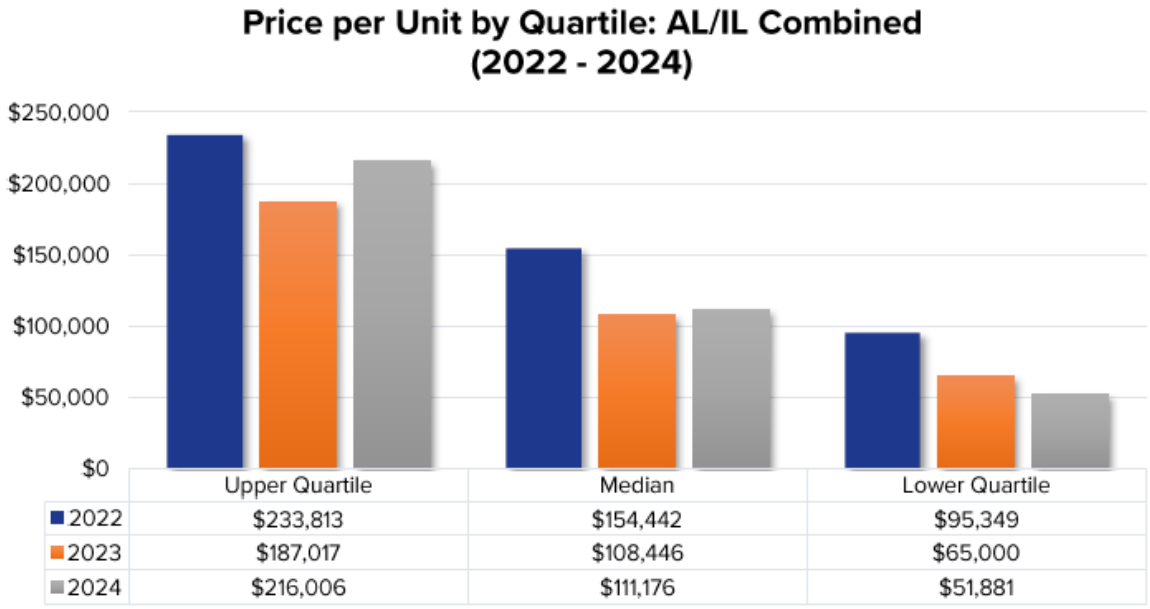


Source: The Senior Care Acquisition Report, 2025

Operating/Valuation Statistics: "A" vs "B" vs "C" AL Properties Sold in 2024			
	"A" Properties	"B" Properties	"C" Properties
Average NOI per Unit	$17,400	$7,900	$6,200
Average Operating Margin	23.1%	12.3%	13.7%
Average Occupancy	83.7%	77.1%	71.8%
Average Cap Rate	7.6%	8.9%	10.7%

Source: The Senior Care Acquisition Report, 2025

Seniors Housing Price per Bed Quartile



	Upper Quartile	Median	Lower Quartile
2022	$233,813	$154,442	$95,349
2023	$187,017	$108,446	$65,000
2024	$216,006	$111,176	$51,881

Source: The Senior Care Acquisition Report, 2025

Price Per Bed Conclusion

The adjusted pricing of the comparable properties ranges from $248,611 to $384,042 per bed with an average adjusted price of $316,815 per bed. We reconciled to $310,000 per bed, or $15,500,000, via the sales comparison approach. Our calculations are shown on the following chart.

PRICE PER BED CONCLUSION	
Indicated Value Per Bed:	$310,000
Subject Size (Beds):	X 50
Indicated Value:	$15,500,000
Rounded:	**$15,500,000**

Income Capitalization Approach

The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time.

The steps involved in capitalizing the subject's net operating income are as follows:

- Develop the subject's Potential Gross Income (PGI) through analysis of the subject's actual historic or projected income and an analysis of competitive current market income rates;
- Estimate and deduct vacancy and collection losses to develop the Effective Gross Income (EGI);
- Develop and subtract operating expenses to derive the Net Operating Income (NOI);
- Develop the appropriate capitalization rate (Ro);
- Divide the net operating income by the capitalization rate for an estimate of value. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

In this approach, we have provided estimates of value for the subject in "As Is" condition.

REVENUE ESTIMATES

For the revenue and expense estimates, our forecasted figures are for the subject "As If Stabilized" and, thus, are projected in today's dollars.

For our analysis, we were provided with Calendar Year operating statements for the reporting periods of 2023, 2024, a Trailing 12 month from May 2024 to April 2025, and 2025 Budget. Reserves are estimated at $300 per bed and the management fee is estimated at 5.0%. This information is presented on the following page.

REPORTED OPERATING DATA

OPERATING YEAR												
REPORTING PERIOD	2023		2024		T12 (MAY24 - APR25)		2025 Budget		NEWMARK STABILIZED ESTIMATES	
Memory Care Beds	50	100%	50	100%	50	100%	50	100%	50	100%
Total Resident Days	8,365		15,381		15,722		17,520		16,973	
AVERAGE OCCUPANCY	45.8%		84.1%		86.2%		96.0%		93.0%	
	TOTAL	$/PRD[1]	TOTAL	$/PRD[1]	TOTAL	$/PRD[1]	TOTAL	$/PRD[1]	TOTAL	$/PRD[1]
REVENUES										
Memory Care Rental	$ 1,654,661	$ 197.82	$ 3,247,658	$ 211.15	$ 3,392,685	$ 215.79	$ 3,894,276	$ 222.28	$ 3,850,200	$ 226.85
Additional Care Fees	$ -	$ -	$ 11,300	$ 0.73	$ 20,623	$ 1.31	$ 11,974	$ 0.68	$ 55,800	$ 3.29
Community Fees	$ 45,000	$ 5.38	$ 100,500	$ 6.53	$ 84,000	$ 5.34	$ -	$ -	$ 83,700	$ 4.93
Other Revenues	$ 5,037	$ 0.60	$ 3,635	$ 0.24	$ 3,724	$ 0.24	$ 57,794	$ 3.30	$ 12,729	$ 0.75
TOTAL NET REVENUES	$ 1,704,697	$ 203.80	$ 3,363,093	$ 218.65	$ 3,501,032	$ 222.68	$ 3,964,044	$ 226.26	$ 4,002,429	$ 235.82
Collection Loss	$ (11,312)	$ (1.35)	$ (4,630)	$ (0.30)	$ 875	$ 0.06	$ -	$ -	$ (20,012)	$ (1.18)
EFFECTIVE GROSS REVENUE	$ 1,693,385	$ 202.45	$ 3,358,463	$ 218.35	$ 3,501,907	$ 222.73	$ 3,964,044	$ 226.26	$ 3,982,417	$ 234.64
OPERATING EXPENSES										
Property Taxes	$ 85,300	$ 10.20	$ 75,715	$ 4.92	$ 76,571	$ 4.87	$ 88,127	$ 5.03	$ 81,000	$ 4.77
Insurance	$ 127,396	$ 15.23	$ 132,764	$ 8.63	$ 132,033	$ 8.40	$ 195,044	$ 11.13	$ 130,000	$ 7.66
Utilities	$ 95,492	$ 11.42	$ 93,970	$ 6.11	$ 95,969	$ 6.10	$ 65,443	$ 3.74	$ 103,532	$ 6.10
Building & Grounds	$ 96,888	$ 11.58	$ 117,093	$ 7.61	$ 121,705	$ 7.74	$ 125,247	$ 7.15	$ 124,748	$ 7.35
Administrative	$ 732,455	$ 87.57	$ 861,176	$ 55.99	$ 895,765	$ 56.97	$ 711,852	$ 40.63	$ 780,735	$ 46.00
Payroll Taxes & Benefits	$ 103,277	$ 12.35	$ 155,145	$ 10.09	$ 167,267	$ 10.64	$ 155,926	$ 8.90	$ 178,105	$ 10.49
Dietary	$ 219,026	$ 26.18	$ 292,125	$ 18.99	$ 289,386	$ 18.41	$ 356,799	$ 20.37	$ 313,991	$ 18.50
Housekeeping/Laundry	$ 50,460	$ 6.03	$ 84,157	$ 5.47	$ 86,725	$ 5.52	$ 95,656	$ 5.46	$ 92,500	$ 5.45
Resident Care / Nursing	$ 589,315	$ 70.45	$ 773,467	$ 50.29	$ 813,723	$ 51.76	$ 809,544	$ 46.21	$ 857,960	$ 50.55
Activities	$ 40,910	$ 4.89	$ 76,857	$ 5.00	$ 72,559	$ 4.62	$ 102,008	$ 5.82	$ 84,014	$ 4.95
SUBTOTAL OPERATING EXPENSES	$ 2,140,520	$ 255.90	$ 2,662,469	$ 173.10	$ 2,751,703	$ 175.02	$ 2,705,646	$ 154.43	$ 2,746,585	$ 161.83
OPERATING EXPENSE RATIO	126.4%		79.3%		78.6%		68.3%		69.0%	
EBITDARM[2]	$ (447,135)	$ (53.46)	$ 695,993	$ 45.25	$ 750,204	$ 47.72	$ 1,258,398	$ 71.83	$ 1,235,832	$ 72.81
Replacement Reserves[3]	$ 15,000	$ 1.79	$ 15,000	$ 0.98	$ 15,000	$ 0.95	$ 15,000	$ 0.86	$ 15,000	$ 0.88
Management Fees[4]	$ 84,669	$ 10.12	$ 167,923	$ 10.92	$ 175,095	$ 11.14	$ 198,202	$ 11.31	$ 199,121	$ 11.73
TOTAL EXPENSES	$ 2,240,189	$ 267.82	$ 2,845,392	$ 184.99	$ 2,941,798	$ 187.11	$ 2,918,849	$ 166.60	$ 2,960,706	$ 174.44
NET OPERATING INCOME	$ (546,804)	$ (65.37)	$ 513,070	$ 33.36	$ 560,109	$ 35.62	$ 1,045,195	$ 59.66	$ 1,021,711	$ 60.20
OPERATING EXPENSE RATIO	132.29%		84.72%		84.01%		73.63%		74.34%	

[1] *Per Resident Day;* [2]*Earnings Before Interest, Taxes, Depreciation, Amortization, Rent and Management Fees.*

[3] *Calculated at $300 per bed*

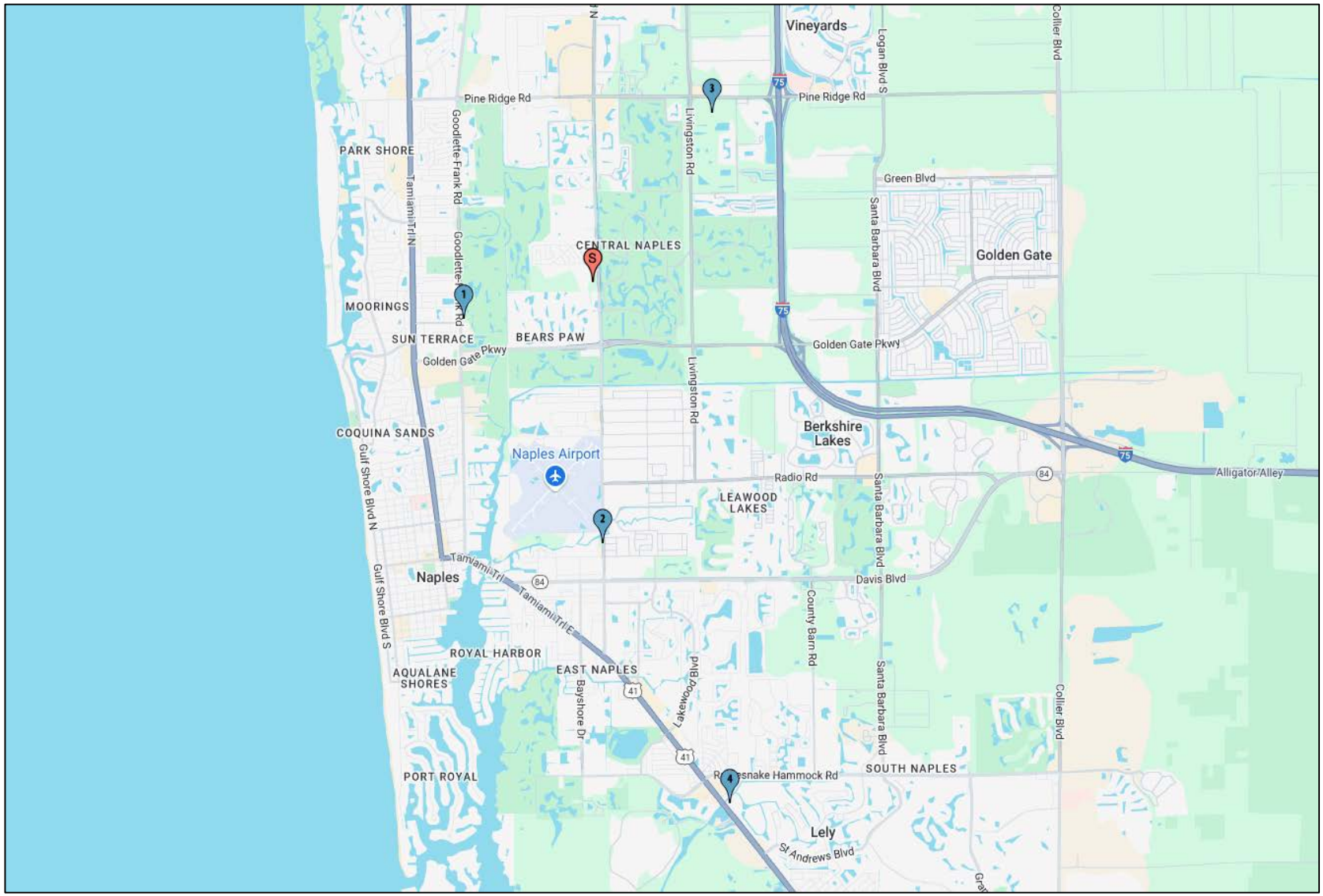
[4] *Normalized at 5.0% of Effective Gross Revenues (after collection loss)*

Compiled by Newmark

Rental Comparables

We have used local comparable properties as market data in deriving our revenue estimates for the subject. On the following page is a map showing the location of the facilities we compared with the subject, followed by data sheets that provide a detailed overview of each of the comparables. Each of the individual average unit rents currently achieved at the subject will be compared with the projected unit rent in the subsequent analysis. During our survey of the subject's local market, we spoke with representatives at four facilities.

Rental Comparables Map



Rental Comparable Photographs

Rental Comparable 1

Rental Comparable 2

Rental Comparable 3

Rental Comparable 4

Memory Care Summary

No.	Property Name Address	No. MC Beds	Year Built Occupancy	Unit Type	Min. Rent	Max. Rent
1	Memory Care of Naples 2626 Goodlette-Frank Rd Naples, Florida	50	1997 88%	Semi-private Studio One-bedroom Community Fees	$4,500 $5,565 $6,200 $2,500	$4,500 $5,565 $6,200 $2,500
2	Beach House Assisted Living and Memory Care 1000 Airport-Pulling Road Naples, Florida	32	2016 87%	Studio Community Fees Personal Care	$5,900 $3,500 $645	$6,610 $3,500 $3,665
3	Seascape at Naples 3490 Thrive Drive Naples, Florida	59	2019 93%	Studio Community Fees	$6,000 $5,000	$7,400 $5,000
4	The Vista at Hammock Cove 5175 Tamiami Trail E Naples, Florida	30	2004 90%	Semi-private Studio Community Fees Personal Care	$2,900 $4,230 $3,000 $300	$2,900 $4,230 $3,000 $2,100
Subject	The Fairways of Naples 3053 Airport-Pulling Rd N Naples, Florida	50	2021 92%	Studio Community Fees Personal Care	$6,000 $3,000 $1,000	$7,800 $3,000 $1,000

Revenue Rates

The following charts summarizes the subject's rent roll inclusive quoted and actual (contract) rates as well as personal care fees. Additionally, rates are shown on a monthly basis unless otherwise stated. The following comparable rate analysis is based on private pay rates as the subject is a 100% private pay facility.

RENT ROLL SUMMARY (AS OF APRIL 2025)
The Fairways of Naples

	MEMORY CARE								
	Monthly Rates						Occupancy		
	Quoted			In-Place			Occupied		
Unit Type	Low	**Avg**	High	Low	**Avg**	High	Beds	Capacity	Occupancy
Studio	$5,800	**$6,424**	$7,500	$4,650	**$6,759**	$10,450	46	50	92.0%
Care Fees	$1,000	-	$1,000	$1,000	**$1,000**	$1,000	3	50	6.0%

In comparing the market rents to the subject's rates, we have considered several the following characteristics to determine market rent for the subject's units: unit sizes, facility age/effective age, facility quality, number of meals included in the base rate, and personal care (assisted living and memory care only). As denoted within the following rent summary charts, based on unit type, we have included a comprehensive, subjective qualitative adjustment, or ranking compared to the subject.

Memory Care Rates

The following charts include the asking rates for the subject's memory care component as well as the comparables. Primary weight has been placed on the in-place rents. Our conclusions for each unit type are indicated below:

Studio Units – Memory Care

STUDIO UNITS - MEMORY CARE

	Rental Range			Qualitative	Personal Care
Property Name	**Low**	-	**High**	**Adjustment**	**Structure**
Memory Care of Naples	$5,565	-	$5,565	Inferior	All-Inclusive
Beach House Assisted Living and Memory Care	$5,900	-	$6,610	Similar	Levels of Care
Seascape at Naples	$6,000	-	$7,400	Similar	All-Inclusive
The Vista at Hammock Cove	$4,230	-	$4,230	Inferior	Levels of Care
COMPETITION RANGE	**$4,230**	-	**$7,400**	-	-
SUBJECT'S IN PLACE RATES	$4,650	-	$10,450	-	N/A
SUBJECT'S QUOTED RATES	$6,000	-	$7,800	-	Ala Carte

The comparables indicate a range of asking rates from $4,230 to $7,400 per unit per month. As shown previously on the rent roll analysis, the subject's average actual collection is $6,759 per month. We conclude to $6,900 per month which is within the range of the comparables and appears reasonable.

Concessions

Rent concessions, or incentives, provide a good indication of the condition, or strength of current local market. Rent concessions are generally found in markets exhibiting high vacancy and diminished absorption levels, as well as being used by new projects as a part of their overall marketing program. The use of concessions typically stimulates occupancy in response to unforeseen vacancies.

Any concessions within the subject's market are mostly comprised of reduced/negotiable community fees; therefore, we have included consideration for current concessions within our Community Fee conclusion, no additional concessions are forecasted.

Non-Refundable Community Fees

Non-refundable move-in fees are generally referred to as community fees and are common charges in the industry. In some instances, facilities will reduce or waive the community fee as part of an enticement to secure new residents. The reported and budgeted collections and our estimates are shown as follows:

YEAR	COMMUNITY FEES
2023	$45,000
2024	$100,500
T12 (MAY24 - APR25)	$84,000
NEWMARK STABILIZED ESTIMATES	$83,700

The recent *The State of Seniors Housing 2023* report notes median, annual resident turnover rates as follows:

- 43.9% for independent living
- 46.8% for assisted living facilities
- 41.6% for facilities with independent living, assisted living, and memory care
- 52.3% for facilities with assisted living and memory care
- 13.0% for all CCRCs (excluding skilled nursing beds)

In the subject's case, we have estimated an average turnover rate of 60.0% per year for its memory care beds. This equates to 30.00 per year in memory care. Regarding market pricing for community fees, the comparables report the following marketed community fees:

COMMUNITY FEES		
Property Name	**MC MIN**	**MC MAX**
Memory Care of Naples	$2,500	$2,500
Beach House Assisted Living and Memory Care	$3,500	$3,500
Seascape at Naples	$5,000	$5,000
The Vista at Hammock Cove	$3,000	$3,000
AVERAGE	**$3,500**	**$3,500**
SUBJECT	$3,000	$3,000

Since full or partial waiver of community fees is typically the first and most common form of concession to be offered, we have considered the current level of concessions in the market within our community fee projection. Considering our projected average community fee collections $3,000 for memory care, in conjunction with the turnover estimates, this results in total community fee revenue of $83,700.

Additional Personal Care

Many assisted living and memory care residences charge for additional care services above the room and board rate.

For memory care, the subject's has a one-time Enhanced Care fee:

- Enhanced Care - $1,000 per month

This is typical in the market with the comparables having the following additional care fees:

ADDITIONAL CARE FEES		
Property Name	**MC MIN**	**MC MAX**
Beach House Assisted Living and Memory Care	$645	$3,665
The Vista at Hammock Cove	$300	$2,100
AVERAGE	**$473**	**$2,883**
SUBJECT	$1,000	$1,000

The reported and budgeted collections and our estimates are shown as follows:

YEAR	ADDITIONAL CARE FEES
2024	$11,300
T12 (MAY24 - APR25)	$20,623
2025 Budget	$11,974
Current - In Place Per Rent Roll	$36,000
NEWMARK STABILIZED ESTIMATES	$55,800

PERSONAL CARE CHARGES									
	Current Operations		Newmark Projections						
Level	Percent Receiving Care	Current Average/Mo.	Number of Beds/Units	Newmark Projection Rate	Subtotal	Newmark Charge/Mo.	Monthly Total	Annualized	Total (Net of Vacancy)
Memory Care	6.5%	$1,000	50	10.0%	5.00	$1,000	$5,000	$60,000	$55,800
SUBJECT									**$55,800**

Other Revenues

This category includes revenue received from the subject's barber/beauty income, meal and guest fees, food catering (tray services), resident phone revenues, personal fitness charges, health supplies, respite services, etc. The reported and budgeted collections and our estimates are shown as follows:

YEAR	OTHER REVENUE
2023	$5,037
2024	$3,635
T12 (MAY24 - APR25)	$3,724
2025 Budget	$57,794
NEWMARK STABILIZED ESTIMATES	$12,729

As reported and budgeted, the subject's other revenues have ranged from $0.24 PRD to $3.30 PRD with an average of $1.09 PRD. Other revenues are a minor revenue source at the subject property. Our conclusion is based on the historical levels. Therefore, we have estimated these revenues at $0.75 per resident day which equates to a total projection of $12,729 attributable to 'Other' revenue.

Occupancy

When estimating stabilized occupancy for a senior living facility, it is appropriate to consider the historical trends and upcoming changes to the subject's operations and the competitive market. The following chart presents the overall occupancies of the subject and market comparables:

RENT COMPARABLE OCCUPANCIES	
Property Name	**MC Occ.**
Memory Care of Naples	88.0%
Beach House Assisted Living and Memory Care	87.0%
Seascape at Naples	93.0%
The Vista at Hammock Cove	90.0%
AVERAGE	**89.5%**
SUBJECT	92.0%

Memory Care

The subject's reported and budgeted memory care occupancy has ranged from 45.8% in 2023 to 96.0% in 2025 Budget. The rental comparables report a current range of 87.0% to 93.0% with an average of 90.4% while the subject's beds were 92.0% occupied based on its operating capacity of 50 beds. Therefore, we estimate stabilized occupancy for memory care at 93.0%.

A detailed summary of the subject's occupancy as follows:

CENSUS STATISTICS
The Fairways of Naples

PERIOD	2023	2024	T12 (MAY24 - APR25)	2025 Budget	NEWMARK STABILIZED ESTIMATES
MEMORY CARE BEDS	50	50	50	50	50
DAYS IN PERIOD	365	366	365	365	365
POTENTIAL RESIDENT DAYS	18,250	18,300	18,250	18,250	18,250
ACTUAL RESIDENT DAYS					
MEMORY CARE	8,365	15,381	15,722	17,520	16,973
TOTAL RESIDENT DAYS	8,365	15,381	15,722	17,520	16,973
MC OCCUPANCY	45.8%	84.1%	86.2%	96.0%	93.0%
MEMORY CARE	22.9	42.0	43.1	48.0	46.5

Collection Loss

Collection loss has ranged during the subject's reporting periods from 0.00% to 0.66% of revenues with an average of 0.19%. In review of industry survey information, as well as actual operating data from similar-type facilities, most report collection loss between 0.0% and 2.0%. A prudent investor would include some degree of collection loss in developing a proforma budget. We estimate a collection loss factor based on the subject's operating history. The following chart summarizes our vacancy and collection loss calculations:

AS STABILIZED VACANCY AND COLLECTION LOSS
The Fairways of Naples

		VACANCY:		Collection Loss:		EFFECTIVE
	POTENTIAL REVENUE	%	AMOUNT	%	AMOUNT	GROSS INCOME
MEMORY CARE (MC)						
Studio	$4,140,000	7.0%	($289,800)	0.50%	($19,251)	$3,830,949
MC Rental Revenues	$4,140,000	7.0%	($289,800)	0.50%	($19,251)	$3,830,949
OTHER REVENUES						
Community Fees MC	$90,000	7.0%	($6,300)	0.50%	($419)	$83,282
Additional Care Fees MC	$60,000	7.0%	($4,200)	0.50%	($279)	$55,521
Ancillary Revenues	$13,688	7.0%	($958)	0.50%	($64)	$12,666
Other Revenues	$163,688	7.0%	($11,458)	0.50%	($761)	$151,468
TOTALS	$4,303,688		($301,258)		($20,012)	$3,982,417

Compiled by Newmark

Effective Gross Income

The following table summarizes the projected estimate of income for the subject facility based on the previous findings. The stabilized revenues are based on current collections and reflect what we consider a typical investor would anticipate in Year 1 of stabilized operations.

REVENUE FORECAST
The Fairways of Naples

Date				6/19/2025
MEMORY CARE RENTAL		**RENT/MONTH**	**BEDS**	**REVENUE**
Studio		$6,900	50	$4,140,000
Memory Care Rental Revenues		$6,900	50	**$4,140,000**
OTHER REVENUES	**NUMBER @**	**RATE**		**REVENUE**
Community Fees MC	30.00 /year @	$3,000 /move-in		$90,000
Additional Care Fees MC	5.00	$1,000 /month		$60,000
Ancillary Revenues	18,250 resident days @	$0.75 PRD		$13,688
Other Revenues				**$163,688**
POTENTIAL GROSS INCOME				$4,303,688
Vacancy - Memory Care	7.00%		($289,800)	
Vacancy - Other Revenues	7.00%		($11,458)	
TOTAL VACANCY LOSS				($301,258)
TOTAL NET REVENUES				$4,002,429
COLLECTION LOSS	0.50%			($20,012)
EFFECTIVE GROSS INCOME				**$3,982,417**

[1] *Gross census number is prior to vacancy and collection loss.*

Compiled by Newmark

The following chart illustrates the reported and budgeted EGI relative to our estimate and the expense comparables:

Effective Gross Income

Source	Total	$/PRD Total
Comparables Low	--	$127.48
Comparables High	--	$231.32
Comparables Average	--	$181.09
Subject Operations and Projections	**Total**	**$/PRD**
2023	$1,693,385	$202.45
2024	$3,358,463	$218.35
T12 (MAY24 - APR25)	$3,501,907	$222.73
2025 Budget	$3,964,044	$226.26
NEWMARK STABILIZED ESTIMATES	$3,982,417	$234.64

OPERATING EXPENSE ESTIMATES

Our forecast of the subject property's Year 1 stabilized operating expenses was based on a review and analysis of the reported and budgeted operating data for the property and supported by operating expense data for other similar facilities. The operating expenses for a senior living facility such as the subject include relatively significant staffing components. We have separately estimated payroll costs by department as shown in the upcoming departmental reconciliations.

Expense Comparables

Before analyzing the reported and budgeted operating expenses for the subject, we have presented in the following table the operating expense data from several facilities in the region. Like the direct analysis of the subject's operating expenses, the comparable data has been expressed on a per resident day (PRD) cost for each of the categories.

OPERATING EXPENSE COMPARABLES

COMPARABLE:	SUBJECT		COMPARABLE 1		COMPARABLE 2		COMPARABLE 3		COMPARABLE 4		COMPARABLE 5		LOW	AVG	HIGH
STATE:	Florida		Florida		Florida		Florida		Florida		Florida				
UNIT MIX															
MEMORY CARE:	50	100%	58	100%	36	100%	38	100%	78	100%	50	100%			
OCCUPANCY:	93.0%		98.3%		83.1%		97.8%		86.8%		77.4%				
YEAR OF OPERATING DATA	2025		2024		2023		2024		2023		2023				
YEAR TRENDED TO (@ 3%)	2025		2025		2025		2025		2025		2025				
EFFECTIVE GROSS INCOME	$234.64		$231.32		$143.78		$187.89		$127.48		$214.97		$127.48	$181.09	$231.32
EXPENSES	PRD[1]	%EGI	PRD[1]	%EGI	PRD[1]	%EGI	PRD[1]	%EGI	PRD[1]	%EGI	PRD[1]	%EGI			
Property Taxes	$4.77	2.0%	$2.90	1.3%	$6.72	4.7%	$4.12	2.2%	$1.97	1.5%	$8.64	4.0%	$1.97	$4.87	$8.64
Insurance	$7.66	3.3%	$7.12	3.1%	$3.92	2.7%	$2.35	1.3%	$1.49	1.2%	$5.31	2.5%	$1.49	$4.04	$7.12
Utilities	$6.10	2.6%	$6.87	3.0%	$4.15	2.9%	$5.03	2.7%	$3.75	2.9%	$8.17	3.8%	$3.75	$5.60	$8.17
Building & Grounds	$7.35	3.1%	$5.46	2.4%	$6.39	4.4%	$6.77	3.6%	$4.37	3.4%	$5.28	2.5%	$4.37	$5.65	$6.77
Administrative	$46.00	19.6%	$33.66	14.6%	$20.60	14.3%	$18.24	9.7%	$19.11	15.0%	$47.17	21.9%	$18.24	$27.76	$47.17
Payroll Taxes & Benefits	$10.49	4.5%	$11.03	4.8%	$4.71	3.3%	$9.02	4.8%	$7.79	6.1%	$17.77	8.3%	$4.71	$10.06	$17.77
Dietary	$18.50	7.9%	$24.96	10.8%	$8.50	5.9%	$16.27	8.7%	$18.65	14.6%	$21.79	10.1%	$8.50	$18.03	$24.96
Housekeeping/Laundry	$5.45	2.3%	$4.65	2.0%	$3.29	2.3%	$7.45	4.0%	$5.26	4.1%	$4.50	2.1%	$3.29	$5.03	$7.45
Resident Care / Nursing	$50.55	21.5%	$50.30	21.7%	$50.92	35.4%	$51.43	27.4%	$26.01	20.4%	$69.13	32.2%	$26.01	$49.56	$69.13
Activities	$4.95	2.1%	$7.29	3.2%	$1.86	1.3%	$3.85	2.1%	$5.99	4.7%	$5.85	2.7%	$1.86	$4.97	$7.29
Management	$11.73	5.0%	$11.57	5.0%	$7.19	5.0%	$9.39	5.0%	$6.37	5.0%	$10.75	5.0%	$6.37	$9.05	$11.57
Reserves	$0.88	0.4%	$0.84	0.4%	$0.99	0.7%	$0.84	0.4%	$0.95	0.7%	$1.06	0.5%	$0.84	$0.93	$1.06
TOTAL OPERATING EXPENSES	$174.44	74.3%	$166.65	72.0%	$119.24	82.9%	$134.78	71.7%	$101.70	79.8%	$205.44	95.6%	$101.70	$145.56	$205.44
NOI	$60.20	25.7%	$64.68	28.0%	$24.54	17.1%	$53.11	28.3%	$25.78	20.2%	$9.54	4.4%	$9.54	$35.53	$64.68

[1] *Per Resident Day*

[2] *Comparable facilities are confidential.*

Compiled by Newmark

The data presented in the previous table will be used to ascertain, where possible, the reasonableness of the subject's reported and budgeted operating expenses from which to conclude to a market level expense projection.

Real Estate Taxes

This cost is for the annual real and personal property tax liability for the subject. The reported and budgeted costs for the subject are shown in the following chart. We have also included the range of costs exhibited by the expense comparables for this cost category.

Real Estate Taxes			
Source	Total	$/PRD Total	% EGI Total
Comparables Low	--	$1.97	1.25%
Comparables High	--	$8.64	4.68%
Comparables Average	--	$4.87	2.74%
Subject Operations and Projections	Total	PRD Total	% EGI Total
2023	$85,300	$10.20	5.04%
2024	$75,715	$4.92	2.25%
T12 (MAY24 - APR25)	$76,571	$4.87	2.19%
2025 Budget	$88,127	$5.03	2.22%
NEWMARK STABILIZED ESTIMATES	$81,000	$4.77	2.03%

Please see the Real Estate Tax section for a detailed analysis.

Insurance

This cost is for the annual professional, property, and liability insurance for the property and excludes auto insurance. The reported and budgeted costs for the subject are shown in the following chart.

Insurance			
Source	Total	$/PRD Total	% EGI Total
Comparables Low	--	$1.49	1.17%
Comparables High	--	$7.12	3.08%
Comparables Average	--	$4.04	2.14%
Subject Operations and Projections	Total	PRD Total	% EGI Total
2023	$127,396	$15.23	7.52%
2024	$132,764	$8.63	3.95%
T12 (MAY24 - APR25)	$132,033	$8.40	3.77%
2025 Budget	$195,044	$11.13	4.92%
NEWMARK STABILIZED ESTIMATES	$130,000	$7.66	3.26%

Our estimate is in-line with the subject's operating history.

Utilities

Utility costs are often very property-specific due to factors such as local rates, construction quality and type, and the equipment used in the property. These expenses include power, water/sewer, and trash service. Cable television and phone service is included within the Administrative expenses for the subject. The comparables have been considered in a similar manner. The subject's reported and budgeted amounts and the comparable data are presented:

Utilities			
Source	Total	$/PRD Total	% EGI Total
Comparables Low	--	$3.75	2.68%
Comparables High	--	$8.17	3.80%
Comparables Average	--	$5.60	3.06%

Subject Operations and Projections	Total	PRD Total	% EGI Total
2023	$95,492	$11.42	5.64%
2024	$93,970	$6.11	2.80%
T12 (MAY24 - APR25)	$95,969	$6.10	2.74%
2025 Budget	$65,443	$3.74	1.65%
NEWMARK STABILIZED ESTIMATES	$103,532	$6.10	2.60%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Building and Grounds

These costs include general repairs and maintenance for the physical plant, supplies and equipment purchases for the facility, grounds maintenance, payroll costs for the maintenance staff, etc. The reported and budgeted costs for the subject, inclusive of the overall costs as well as on a PRD basis, are shown in the following chart. We have also included the range of costs exhibited by the expense comparables for this cost category, on a PRD basis.

Building and Grounds							
Source	Expenses	Salaries	Total	$/PRD Expenses	$/PRD Salaries	$/PRD Total	% EGI Total
Comparables Low	--	--	--	$1.97	$0.94	$4.37	2.4%
Comparables High	--	--	--	$6.39	$2.87	$6.77	4.4%
Comparables Average	--	--	--	$3.95	$2.13	$5.65	3.3%

Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$63,321	$33,567	$96,888	$7.57	$4.01	$11.58	5.7%
2024	$63,537	$53,556	$117,093	$4.13	$3.48	$7.61	3.5%
T12 (MAY24 - APR25)	$64,465	$57,240	$121,705	$4.10	$3.64	$7.74	3.5%
2025 Budget	$59,272	$65,975	$125,247	$3.38	$3.77	$7.15	3.2%
NEWMARK STABILIZED ESTIMATES	$67,041	$57,707	$124,748	$3.95	$3.40	$7.35	3.1%

Our estimate is in-line with the subject's operating history.

Administrative

General and Administrative costs include the department's payroll costs as well as the property's office supplies, postage, communications (computer and telephone), licenses/permits, dues/subscriptions, travel/meals, transportation, and other costs necessary to run the administrative services. These expenses also include all payroll and supplies costs for marketing and advertisement. The reported and budgeted costs for the subject are presented in the following chart on an overall and PRD basis. The comparable data is shown on a PRD basis.

General and Administrative Expenses							
Operating Period	Expenses	Salaries	Total	$/PRD Expenses	$/PRD Salaries	$/PRD Total	% EGI Total
Comparables Low	--	--	--	$7.91	$6.98	$18.24	9.7%
Comparables High	--	--	--	$25.40	$21.77	$47.17	21.9%
Comparables Average	--	--	--	$14.64	$13.12	$27.76	15.1%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$438,020	$294,435	$732,455	$52.37	$35.20	$87.57	43.3%
2024	$476,884	$384,292	$861,176	$31.00	$24.98	$55.99	25.6%
T12 (MAY24 - APR25)	$490,572	$405,193	$895,765	$31.20	$25.77	$56.97	25.6%
2025 Budget	$370,702	$341,150	$711,852	$21.16	$19.47	$40.63	18.0%
NEWMARK STABILIZED ESTIMATES	$424,313	$356,423	$780,735	$25.00	$21.00	$46.00	19.6%

Administrative expenses at the subject have historically exceeded market comparable levels. Our estimate reflects a balance between the property's historical performance and prevailing market benchmarks.

Payroll Taxes & Benefits

These expenses include all payroll taxes as well as health insurance, workers' compensation, and any other fringe benefits noted on the financial statements. The reported and budgeted costs for the subject are presented in the following chart.

Payroll Taxes and Benefits							
Operating Period	Payroll Taxes	Benefits	Total	Taxes % of Payroll	Benefits % of Payroll	PRD Total	% EGI Total
Comparables Low	--	--	--	--	--	$4.71	3.3%
Comparables High	--	--	--	--	--	$17.77	8.3%
Comparables Average	--	--	--	--	--	$10.06	5.4%
Subject Operations and Projections	Expenses	Salaries	Total	Payroll %	Benefits %	PRD Total	% EGI Total
2023	$86,477	$16,801	$103,277	8.48%	1.65%	$12.35	6.1%
2024	$122,405	$32,739	$155,145	8.30%	2.22%	$10.09	4.6%
T12 (MAY24 - APR25)	$125,480	$41,787	$167,267	8.26%	2.75%	$10.64	4.8%
2025 Budget	$140,220	$15,706	$155,926	9.08%	1.02%	$8.90	3.9%
NEWMARK STABILIZED ESTIMATES	$131,643	$46,462	$178,105	8.50%	3.00%	$10.49	4.5%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Dietary

These costs include raw food costs, as well as kitchen supplies and all payroll costs for the food service staff. The subject's reported and budgeted costs, as well as our forecast for this category, are shown in the following chart; these expenses are included on an overall and PRD basis. We have also included the range of costs exhibited by the expense comparables for this cost category on a PRD basis.

Dietary Expenses							
Operating Period	Expenses	Salaries	Total	Expenses	$/PRD Salaries	Total	% EGI Total
Comparables Low	--	--	--	$4.21	$1.96	$8.50	5.9%
Comparables High	--	--	--	$19.83	$14.88	$24.96	14.6%
Comparables Average	--	--	--	$10.31	$7.72	$18.03	10.0%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$176,052	$42,974	$219,026	$21.05	$5.14	$26.18	12.9%
2024	$143,314	$148,811	$292,125	$9.32	$9.67	$18.99	8.7%
T12 (MAY24 - APR25)	$154,364	$135,022	$289,386	$9.82	$8.59	$18.41	8.3%
2025 Budget	$176,072	$180,727	$356,799	$10.05	$10.32	$20.37	9.0%
NEWMARK STABILIZED ESTIMATES	$161,239	$152,753	$313,991	$9.50	$9.00	$18.50	7.9%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Housekeeping / Laundry

This category is for all housekeeping and laundry costs, including all housekeeping and laundry supplies and payroll costs. The reported and budgeted costs for the subject, on an annual and PRD basis, are shown in the following chart. We have also included the range of costs exhibited by the expense comparables, on a PRD basis, for this cost category.

Housekeeping/Laundry Expenses							
Operating Period	Expenses	Salaries	Total	Expenses	$/PRD Salaries	Total	% EGI Total
Comparables Low	--	--	--	$0.39	$2.87	$3.29	2.0%
Comparables High	--	--	--	$1.08	$6.48	$7.45	4.1%
Comparables Average	--	--	--	$0.75	$4.29	$5.03	2.9%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$8,569	$41,891	$50,460	$1.02	$5.01	$6.03	3.0%
2024	$24,354	$59,803	$84,157	$1.58	$3.89	$5.47	2.5%
T12 (MAY24 - APR25)	$26,119	$60,606	$86,725	$1.66	$3.85	$5.52	2.5%
2025 Budget	$32,509	$63,147	$95,656	$1.86	$3.60	$5.46	2.4%
NEWMARK STABILIZED ESTIMATES	$27,156	$65,344	$92,500	$1.60	$3.85	$5.45	2.3%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Resident Care / Nursing

This category includes patient care costs, salaries, health supplies, therapy and pharmacy contracts (if applicable), as well as the costs for medical records. The reported and budgeted expenses for the subject, overall annual and PRD basis, are shown in the following chart. We

have also included the range of costs exhibited by the expense comparables for this cost category.

Nursing Expenses							
Operating Period	Expenses	Salaries	Total	Expenses	$/PRD Salaries	Total	% EGI Total
Comparables Low	--	--	--	$0.96	$24.30	$26.01	20.4%
Comparables High	--	--	--	$2.69	$67.37	$69.13	35.4%
Comparables Average	--	--	--	$1.65	$47.91	$49.56	27.4%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$11,983	$577,332	$589,315	$1.43	$69.02	$70.45	34.8%
2024	$8,523	$764,944	$773,467	$0.55	$49.73	$50.29	23.0%
T12 (MAY24 - APR25)	$8,849	$804,873	$813,723	$0.56	$51.19	$51.76	23.2%
2025 Budget	$8,669	$800,875	$809,544	$0.49	$45.71	$46.21	20.4%
NEWMARK STABILIZED ESTIMATES	$9,335	$848,625	$857,960	$0.55	$50.00	$50.55	21.5%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Activities

This department is for the activity programs for the residents and includes supplies and payroll costs. The reported and budgeted costs for the subject, on an annual and PRD basis, are shown in the following chart. The following chart also includes the range of costs exhibited by the expense comparables, on a PRD basis, for this departmental category.

Activities Expense							
Operating Period	Expenses	Salaries	Total	Expenses	$/PRD Salaries	Total	% EGI Total
Comparables Low	--	--	--	$0.72	$0.83	$1.86	1.3%
Comparables High	--	--	--	$1.18	$6.11	$7.29	4.7%
Comparables Average	--	--	--	$0.95	$4.02	$4.97	2.8%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$11,070	$29,840	$40,910	$1.32	$3.57	$4.89	2.4%
2024	$13,115	$63,742	$76,857	$0.85	$4.14	$5.00	2.3%
T12 (MAY24 - APR25)	$16,930	$55,630	$72,559	$1.08	$3.54	$4.62	2.1%
2025 Budget	$9,288	$92,720	$102,008	$0.53	$5.29	$5.82	2.6%
NEWMARK STABILIZED ESTIMATES	$16,124	$67,890	$84,014	$0.95	$4.00	$4.95	2.1%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Replacement Reserves

Replacement reserves are allocated to account for the replacement of roof covering, mechanical systems, furnishings, appliances, etc. Based on our discussions with market participants, most investors and operators budget between $300 and $500 per operating bed per year for replacement reserves. This cost varies substantially depending on the age, quality, and condition of the asset. In the case of the subject and its date of construction, we deducted $300 per operating bed, which equates to a total cost of $15,000, or $0.88 PRD. We have normalized this per-bed amount across the reported and budgeted financial statements and expense comparables.

Management Fees

In reviewing *The State of Seniors Housing 2023,* the average management fee for an independent living facility was 4.6% of total revenues while the average assisted living facility was 4.9% of revenue. Combined independent/assisted living facilities reported an average management fee of 5.0% while combined assisted living/memory care facilities reported an average of 4.9%. Due to their larger size, CCRCs had an average management fee of 4.6%. The respondents across the spectrum of seniors care indicate an overall average of 4.8%.

Management Fees

Source	Total	% EGI Total	Market Total	% EGI Total
Subject Operations and Projections	Total		Normalized	% EGI Total
2023	$118,546	7.00%	$84,669	5.00%
2024	$176,343	5.25%	$167,923	5.00%
T12 (MAY24 - APR25)	$182,242	5.20%	$175,095	5.00%
2025 Budget	$198,202	5.00%	$198,202	5.00%
NEWMARK STABILIZED ESTIMATES	N/A	N/A	$199,121	5.00%

In reconstructing the historical financial statements, we have normalized this expense by excluding any actual historical management fees and adding back the market level of 5.0%.

Expense Conclusion

Based on our analysis, we have forecast Year 1 operating expenses for the subject at $2,960,706, or $174.44 PRD (including management fees and replacement reserves). Our forecast, as well as the subject's reported and budgeted costs, and data indicated by the expense comparables, is summarized on the following chart.

Total Operating Expenses

Source	Expenses	Salaries	Total	$/PRD Expenses	$/PRD Salaries	$/PRD Total	% EGI Total
Comparables Low	--	--	--	$63.82	$37.88	$101.70	71.7%
Comparables High	--	--	--	$85.95	$119.48	$205.44	95.6%
Comparables Average	--	--	--	$66.38	$79.18	$145.56	80.4%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$1,220,150	$1,020,040	$2,240,189	$145.87	$121.95	$267.82	132.3%
2024	$1,370,244	$1,475,148	$2,845,392	$89.09	$95.91	$184.99	84.7%
T12 (MAY24 - APR25)	$1,423,235	$1,518,563	$2,941,798	$90.52	$96.59	$187.11	84.0%
2025 Budget	$1,374,254	$1,544,594	$2,918,849	$78.44	$88.16	$166.60	73.6%
NEWMARK STABILIZED ESTIMATES	$1,411,966	$1,548,741	$2,960,706	$83.19	$91.25	$174.44	74.3%

Our forecast Year 1 stabilized operating expense conclusion for the subject correlates to 74.34% of effective gross income. The expense ratios during the subject's reporting periods range from 73.6% to 132.3% of effective gross income. The comparables indicated a range of operating expense ratios from 71.73% to 95.56% with an average of 80.41% after management fees and replacement reserves.

Based on the comparable facilities as well as published data, our forecast operating expense ratio of 74.34% (including management fees and replacement reserves) falls within industry norms for this type of facility and appears reasonable.

NET OPERATING INCOME CONCLUSION

We have forecast Year 1 stabilized net operating income (NOI) for the subject at $1,021,711, or $60.20 PRD.

Net Operating Income

Source	Total	$/PRD Total
Comparables Low	--	$9.54
Comparables High	--	$64.68
Comparables Average	--	$35.53

Subject Operations and Projections	Total	$/PRD
2024	$513,070	$33.36
T12 (MAY24 - APR25)	$560,109	$35.62
2025 Budget	$1,045,195	$59.66
NEWMARK STABILIZED ESTIMATES	$1,021,711	$60.20

Going forward, occupancy is expected to strengthen while the subject's in-place rents are expected to increase. Based on our analysis of the data presented regarding the subject's operations and the comparable properties' operations, our resulting net operating income estimate is well supported by the subject's most recent trends on a per resident day (PRD) basis and the indications of market participants.

The following chart summarizes the revenue, vacancy, and collection loss, as well as operating expense conclusions based on our Year 1 projections.

OPERATING PRO FORMA
The Fairways of Naples

Premise:	As Is (Tax Exempt)			As Is		
Date:	6/19/2025			6/19/2025		
	Total	**$/PRD**	**% EGI**	**Total**	**$/PRD**	**% EGI**
POTENTIAL GROSS INCOME	$4,303,688	$253.57		$4,303,688	$253.57	
VACANCY LOSS	($301,258)	($17.75)		($301,258)	($17.75)	
COLLECTION LOSS	($20,012)	($1.18)		($20,012)	($1.18)	
EFFECTIVE GROSS INCOME	**$3,982,417**	**$234.64**		**$3,982,417**	**$234.64**	
OPERATING EXPENSES						
Property Taxes	$0	$4.77	2.03%	$81,000	$4.77	2.03%
Insurance	$130,000	$7.66	3.26%	$130,000	$7.66	3.26%
Utilities	$103,532	$6.10	2.60%	$103,532	$6.10	2.60%
Building & Grounds	$124,748	$7.35	3.13%	$124,748	$7.35	3.13%
Administrative	$780,735	$46.00	19.60%	$780,735	$46.00	19.60%
Payroll Taxes & Benefits	$178,105	$10.49	4.47%	$178,105	$10.49	4.47%
Dietary	$313,991	$18.50	7.88%	$313,991	$18.50	7.88%
Housekeeping/Laundry	$92,500	$5.45	2.32%	$92,500	$5.45	2.32%
Resident Care / Nursing	$857,960	$50.55	21.54%	$857,960	$50.55	21.54%
Activities	$84,014	$4.95	2.11%	$84,014	$4.95	2.11%
Prior to MF & Reserves	**$2,665,585**	**$161.83**	**66.93%**	$2,746,585	**$161.83**	**68.97%**
OER Prior to MF & Reserves	66.93%			68.97%		
Replacement Reserves	$15,000	$0.88	0.38%	$15,000	$0.88	0.38%
Management Fees	$199,121	$11.73	5.00%	$199,121	$11.73	5.00%
TOTAL EXPENSES	**$2,879,706**	**$174.44**	72.31%	**$2,960,706**	$174.44	74.34%
NET OPERATING INCOME	**$1,102,711**	**$60.20**	27.69%	**$1,021,711**	**$60.20**	25.66%
OPERATING EXPENSE RATIO	**72.31%**			**74.34%**		

Compiled by Newmark

CAPITALIZATION RATE

The capitalization rate is the factor that converts the stabilized net operating income (NOI) to a present value. It is the ratio of net income to value or sale price. In determining an appropriate capitalization rate for the subject property, we have reviewed capitalization rates extracted from the market sale comparables, industry data provided by *The Senior Care Acquisition Report* published by Irvin Levin Associates, Inc., and current findings from our national investor survey. This information is presented in the following pages.

Market Extracted Rates

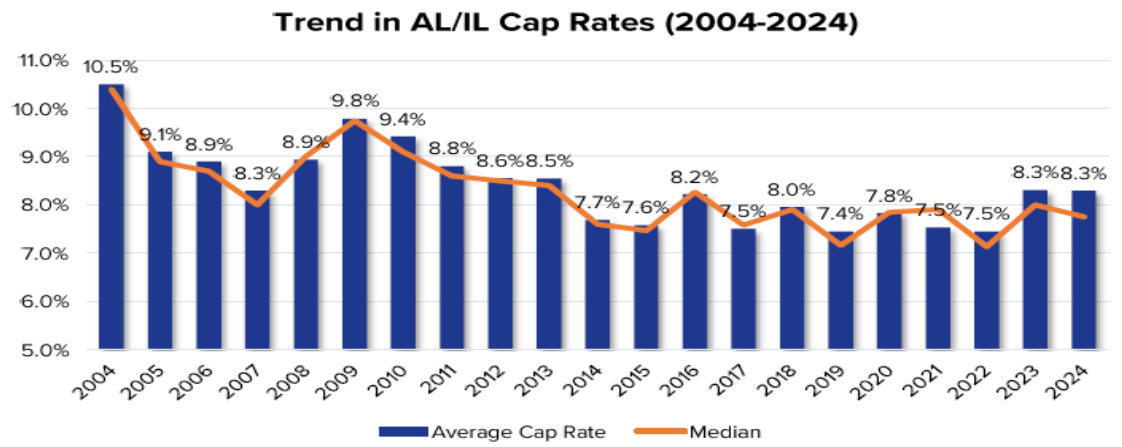
For comparable overall capitalization rates, we searched for recent sales of similar senior housing facilities. The following table includes capitalization rates from extracted from these transactions.

MARKET EXTRACTED CAPITALIZATION RATES

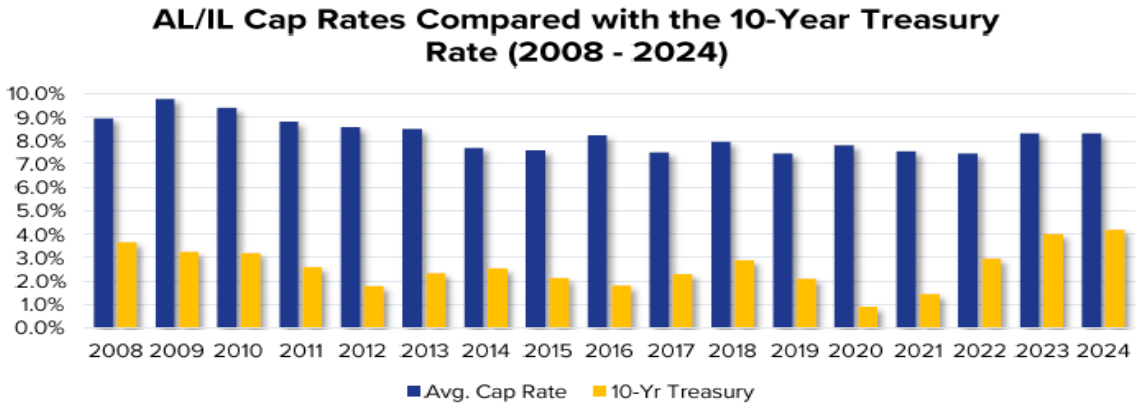
No.	Property Facility Type	Location	Sale Price Sale Date	No. Beds Year Built	NOI	Cap Rate
1	**Palmetto Ridge Assisted Living** Assisted Living Residence with Memory Care	South Carolina	$2,700,000 May-25	91 1968	$199,015	**7.37%**
2	**Countryside Haven** Assisted Living Residence	Florida	$2,700,000 Nov-24	30 1950	$137,031	**5.08%**
3	**Colonial Assisted Living** Assisted Living Residence with Memory Care	Florida	$8,227,475 Aug-24	76 1989	$601,040	**7.31%**
4	**Arbor Oaks at Tyrone** Assisted Living Residence with Memory Care	Florida	$9,050,000 Apr-24	92 1998	$794,046	**8.77%**
5	**The Summit at Lakewood Ranch** Assisted Living Residence with Memory Care	Florida	$27,500,000 Jan-24	117 2016	$2,200,000	**8.01%**
6	**Heartis San Antonio** Assisted Living Residence with Memory Care	Texas	$36,000,000 Jul-23	109 2016	$2,520,000	**7.00%**
7	**Oakland Park ALF** Assisted Living Residence	Florida	$2,550,000 Dec-22	26 1967	$177,225	**6.95%**
8	**Camellia Place** Assisted Living Residence with Memory Care	Georgia	$19,100,000 May-22	96 2016	$992,919	**5.20%**

Industry Survey Data

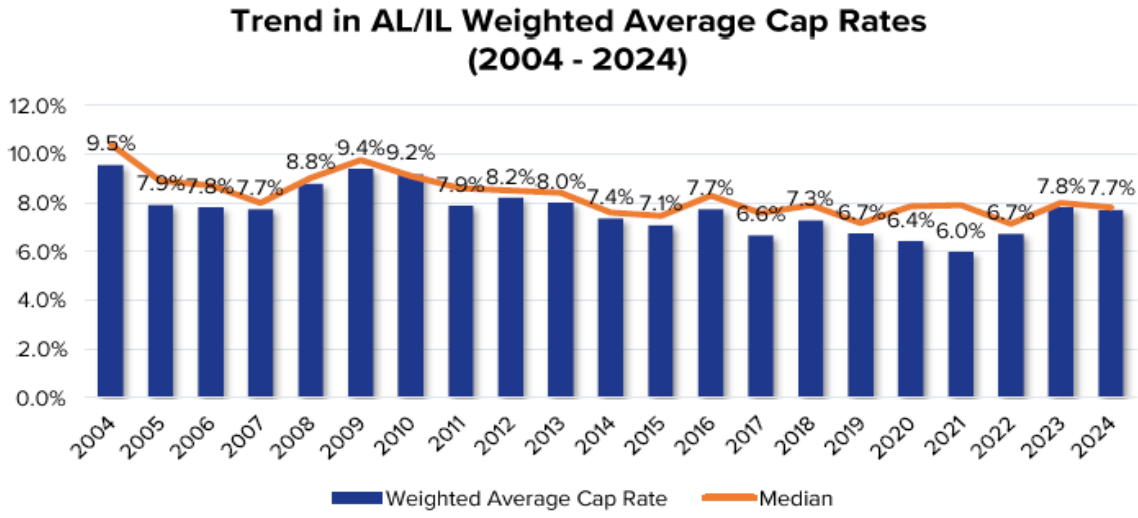
From an industry wide basis, we have referenced average capitalization rate trends as presented in *The Senior Care Acquisition Report 2025*, published by Irvin Levin Associates. This data is presented in the following charts. We note that these capitalization rates are generally shown after 5% management fees for nursing facilities and 6% for independent and/or assisted living communities. Importantly, these capitalization rates do not include expenses for reserves, so these rates overall are somewhat higher than appropriate for comparison to capitalization rates used in our appraisal.



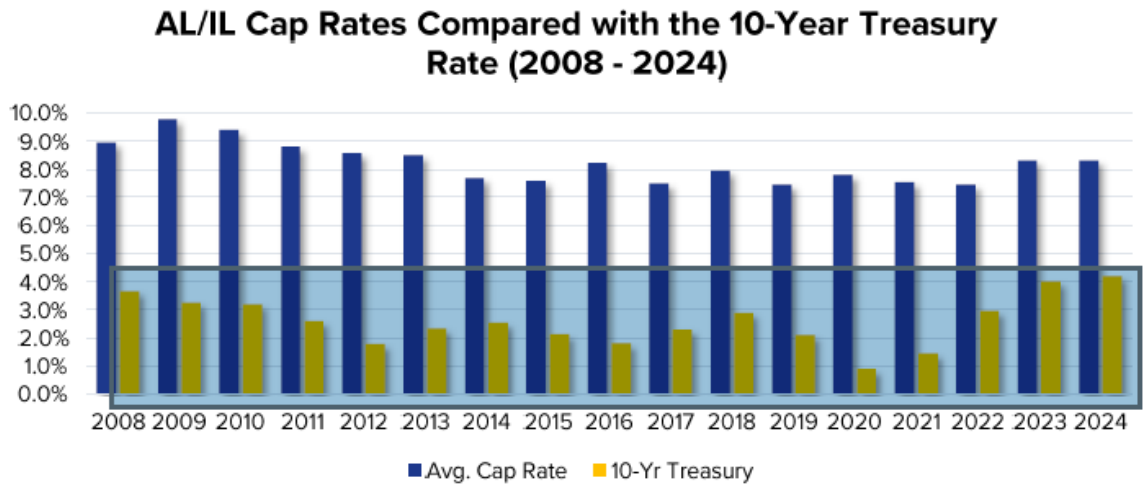
Source: The Senior Care Acquisition Report, 2025



Source: The Senior Care Acquisition Report, 2025



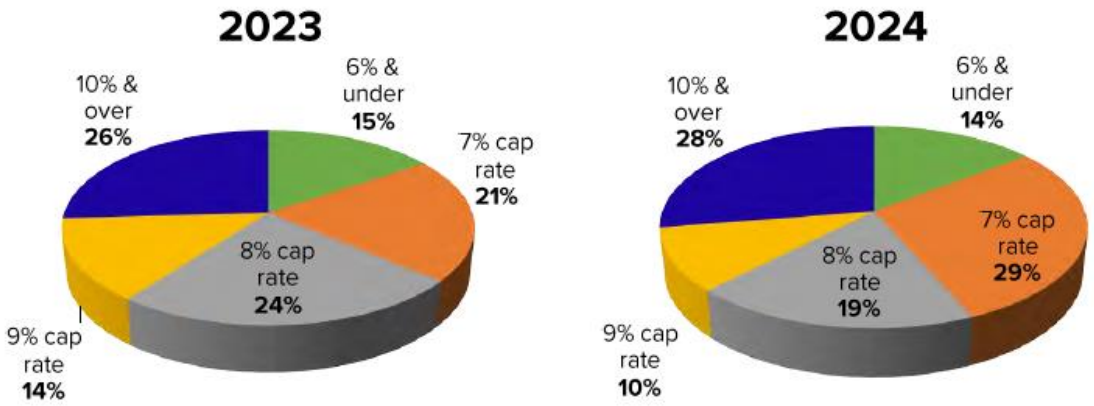
Source: The Senior Care Acquisition Report, 2025



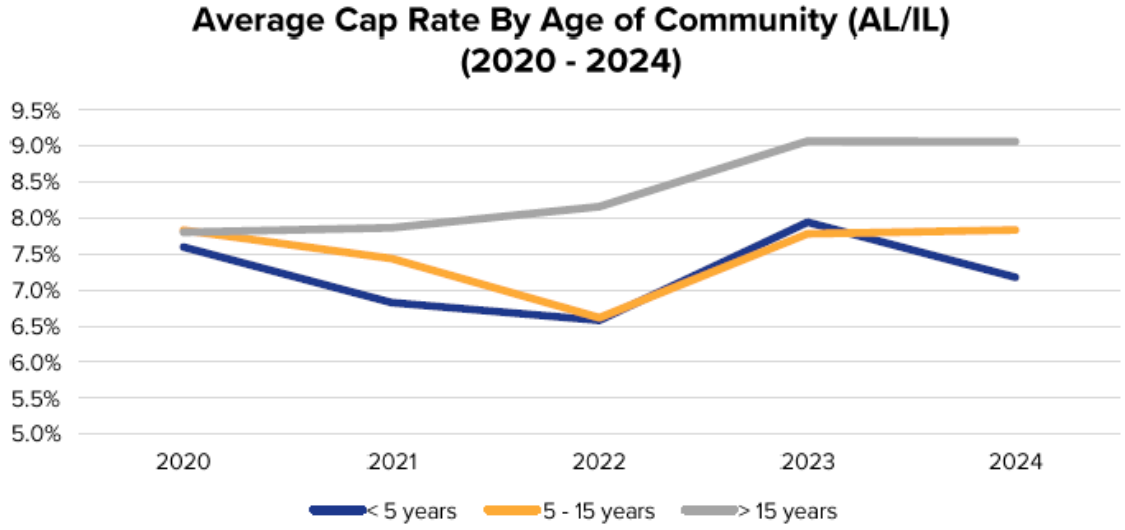
Source: The Senior Care Acquisition Report, 2025

According to *The Senior Care Acquisition Report 2025,* size is also sometimes a factor in the valuation of seniors housing properties, with larger, more institutional communities perceived as safer investments, in general. However, the smallest grouping includes many high-quality, "boutique" memory care communities that can be very profitable and were constructed largely in the last five years. But in 2024, as in previous years, the largest communities had the lowest average cap rate of 7.4%, followed by 8.6% for communities with 50 to 90 units and 9.8% for communities with under 50 units. Larger communities are more capable of absorbing census problems (10 move-outs mean a lot more to a 50-unit community than a 150-unit community) and covering higher labor costs associated with senior living.

Age isn't everything, and the newest community isn't always the best operated one in the market. But it can be a good indicator of value, since there is more of a risk that the baby boomers will reject the traditional seniors housing option, especially those with smaller units, fewer amenities and out-of-date technology. Year over year, there is usually a perfect correlation between age and the cap rates of properties, and that was nearly the case in 2024. The newest properties built less than five years ago sold on average at a 7.2% cap rate, but properties between five and 15 years old averaged 7.8% in 2024. The oldest properties saw their average cap rate remain at 9.1% in 2024.



Source: The Senior Care Acquisition Report, 2025



Source: The Senior Care Acquisition Report, 2025

Newmark Senior Housing Investor Survey

The ability to provide a safe and cost effective option for care in a facility is one of the key reasons why investors knew the seniors housing industry is a stable market with upside as demographic changes drive future demand.

Newmark Valuation & Advisory's Healthcare & Seniors Housing practice is a premier group of real estate professionals focused on the unique requirements and objectives of healthcare providers and senior housing operators. Utilizing extensive interviews and market observations, we provide expert advice to investors, property owners and operators on assets ranging from

large, 300-bed hospitals and entrance fee CCRC's to small clinics and free-standing senior housing facilities. Our specialized insight enables our team to align the business operations and real estate functions of a healthcare or senior living facility in order to deliver maximum value to investors and property owners. Assignments have included valuations, market and feasibility studies, and fair market rent surveys for Stark Law compliance. We provide appraisal services to lenders, hospital and senior housing operators, healthcare REITs and private equity firms.

2025 National Rates Comparison - Senior Housing		
Asset Category	**Capitalization Rate**	**Discount Rate**
Independent Living - Class A	5.75%	8.50%
Independent Living - Class B	6.00%	8.75%
Assisted Living / Memory Care - Class A	6.75%	9.50%
Assisted Living / Memory Care - Class B	7.00%	9.75%
Skilled Nursing - Class A	12.00%	14.50%
Skilled Nursing - Class B	12.50%	15.75%
CCRC - Class A	9.50%	12.00%
CCRC - Class B	9.75%	12.25%

Compiled by Newmark

CAPITALIZATION RATE CONCLUSION

In summary, the comparable sales provide a range of 5.08% to 8.77% with an average of 6.96%. Additionally, indications via the published data and our investor survey are summarized below:

The Senior Care Acquisition Report 2025:

- Average capitalization rate of 7.10% for independent living facilities
- Average capitalization rate of 8.60% for assisted living facilities
- Average capitalization rate of 12.20% for skilled nursing facilities
- Average capitalization rate of 8.90% for CCRCs

In determining a capitalization rate for the subject property, we have taken into account its overall age and condition, occupancy history, census and quality mix, state regulatory environment, market positioning, and investment criteria. The subject is an established memory care residence with a good history of operating performance, is well located within its market area, and appears to have a good reputation. In consideration of the presented data, we have concluded a capitalization rate for the subject property of 6.50%.

DIRECT CAPITALIZATION CONCLUSION

This indicates a value for the subject in “As Is” condition, via the income capitalization approach, of $15,700,000, with an effective date of June 19, 2025. This indicates a value for the subject in “As Is - Tax Exempt”, via the income capitalization approach, of $17,000,000, with an effective date of June 19, 2025. A summary of our calculations is shown in the following summary.

DIRECT CAPITALIZATION METHOD						
Premise:	**As Is (Tax Exempt)**			**As Is**		
Date:	**6/19/2025**			**6/19/2025**		
	Value	**$/Bed**	**$/Unit**	**Value**	**$/Bed**	**$/Unit**
Net Operating Income (NOI):	$1,102,711			$1,021,711		
Low Range Capitalization Rate 6.25%	$17,643,375	$352,868	$352,868	$16,347,375	$326,948	$326,948
Most Likely Capitalization Rate 6.50%	$16,964,784	$339,296	$339,296	$15,718,630	$314,373	$314,373
High Range Capitalization Rate 6.75%	$16,336,458	$326,729	$326,729	$15,136,458	$302,729	$302,729
Concluded Value (NOI/Cap Rate):	$16,964,784	$339,296	$339,296	$15,718,630	$314,373	$314,373
Rounded:	**$17,000,000**	**$340,000**	**$340,000**	**$15,700,000**	**$314,000**	**$314,000**

Reconciliation of Value

The values indicated by our analyses are as follows:

Value Premises	Effective Date	Sales Comparison	Income Capitalization	Conclusion
As Is (TAB)	June 19, 2025	$15,500,000	$15,700,000	**$15,700,000**
As Is (TAB) - Tax Exempt	June 19, 2025	—	$17,700,000	**$17,700,000**

Sales Comparison Approach

The Sales Comparison Approach indicates a value estimate based on recent sales transactions involving senior housing facilities in the subject's region. The improved sales were adjusted for location, age, size, date of sale, amenities, and other physical plant features. Investors typically utilize improved sales to cross check price points per effective unit and the implied capitalization rates. Many of the healthcare investors we interviewed felt that the Sales Comparison Approach does provide an accurate reflection of market conditions for senior housing assets and is given significant weight in their reconciliation process when they analyze an investment opportunity.

The improved sales reflect current market conditions and were deemed comparable to the subject property. As such, the Sales Comparison Approach was concluded to provide a reasonable value conclusion and was considered in the final value reconciliation process.

Income Capitalization Approach

The Income Capitalization Approach is generally considered a very good indicator of market value for a senior housing asset given that most senior housing transactions involve the sale of the going concern. Most healthcare investors believe that the Income Capitalization Approach adequately reflects the value of the subject as a going concern because it factors operating income, staffing expenses, resident care expenses, goodwill, and overall operational issues into the indicated value. The income approach utilizes market derived capitalization rates, comparable rentals, actual staffing expenses, operating expense comparables, and a healthcare industry survey to support the indicated value.

Only direct capitalization was utilized in this approach. As the subject is a well-performing business with positive reported NOI at stable and reasonable levels, the income approach was given primary consideration in our reconciliation of value.

MARKET VALUE AS IS - (TAB)

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, we have developed an opinion that the “As Is” market value of the total assets of the business (TAB) including real and personal property of this specific asset in Fee Simple interest, as of June 19, 2025, was:

$15,700,000

Our concluded value is allocated as follows:

ALLOCATION CONCLUSION - AS IS	
Component	**Allocated Value**
Market Value (TAB)	$15,700,000
Allocated Value of Real Property	$14,300,000
Allocated Value of FF&E	$300,000
Allocated Value of the Intangibles	$1,100,000

AS IF TAX EXEMPT - (TAB)

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, we have developed an opinion that the “As if Tax Exempt” value of the total assets of the business (TAB) including real and personal property, as of June 19, 2025, will be:

$17,000,000

ALLOCATION CONCLUSION - AS IF TAX EXEMPT	
Component	**Allocated Value**
Market Value (TAB)	$17,000,000
Allocated Value of Real Property	$15,400,000
Allocated Value of FF&E	$300,000
Allocated Value of the Intangibles	$1,300,000

EXPOSURE TIME

Exposure time is the estimated length of time the subject property would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. It is a retrospective estimate based on an analysis of past events assuming a competitive and open market.

Recent sales transaction data for similar properties, supply and demand characteristics for the senior healthcare market, and the opinions of local market participants were reviewed and analyzed. Based on this data and analysis, it is our opinion that the probable exposure time for the subject at the concluded market values stated previously is 9 months.

MARKETING TIME

Marketing time is an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. Accordingly, we estimate the subject's marketing period at 9 months.

PERSONAL PROPERTY ALLOCATION

Included in the estimate of market value is the contributing value of the personal property or the furnishings, fixtures and equipment (FF&E). FF&E is generally considered to be part of a memory care residence and is typically sold with the building. It is therefore considered to be a part of the property's total value. FF&E includes the individual unit and public area furnishings, kitchen equipment, service/maintenance equipment and other machinery. We estimated the value of the FF&E as new to be $379,500, including a 10.0% factor for soft costs and 15.0% for entrepreneurial profit.

Physical deterioration (depreciation) must be deducted for the FF&E. Based on our physical inspection of the property, we are of the opinion that the existing personal property is currently in above average physical condition. We have estimated an effective age for the FF&E at 1 years. As we have estimated that the subject's FF&E has a useful life of 10 years, this equates to 10% depreciation factor, as summarized in the following table.

FURNITURE, FIXTURES AND EQUIPMENT (FF&E)

	No. Operating Beds	Cost ($/Bed)	Cost Factors	Totals
FF&E	50	$6,000		$300,000
Indirect Costs			10.00%	$30,000
Subtotal:				$330,000
Entrepreneurial Incentive			15.00%	$49,500
Total Value of FF&E As New				$379,500
Physical Life (Yrs)				10
Effective Age (Yrs)				1
Percent Depreciated				10.0%
Percent Value Remaining				90.0%
Depreciated Value				$341,550
Rounded				**$300,000**

The contributing value of the FF&E is considered to be the cost of the FF&E less its accrued depreciation. This equates to a depreciated value of $300,000 rounded.

INTANGIBLE ASSETS ALLOCATION

Senior living facilities are undisputedly a combination of business and real estate; the day-to-day operation of a senior living facility may include an intangible property component over and above the real estate value. The intangible property may reflect reputation, work force, contracts, copyrights, patents, trademarks, or residual income. The intangible property component is typically referred to as “business enterprise value.”

In the valuation of the total assets of the business, appraisers are required to separately allocate the value of the real property, Furniture, Fixtures and Equipment (FF&E), and the intangibles in order not to be misleading to a reader of the appraisal report.

In the last several years, real estate appraisers have begun to utilize a variety of methods such as debt service coverage ratios, market leases for real estate, and net operating income allocations for business operations to determine the intangible allocation. There are pros and cons to each of the alternatives and there is no clear agreement on the most appropriate method. In fact, the courses related to teaching these allocation methods are taught as "suggestions only" and not as specific requirements to be used in going concern appraisals.

For the purposes of our allocations, we have employed the lease coverage method.

Lease Coverage Method: In estimating the Market Value of the Intangibles, we have considered typical lease agreements for senior housing and care properties. Real Estate Investment Trusts (REITs) specializing in senior housing assets generally structure leases to represent a return on the real property position. Leases are structured to provide a margin of security to the leased fee position, as well as to allow for a return to the operator.

Based upon a review of lease transactions in the senior housing sector and our discussions with market participants, leases are typically structured with Lease Coverage Ratios ranging from 1.10 to 1.60, depending on the location, asset quality, size and operating characteristics of a given property. For a facility of similar size and quality to the subject, a lease coverage ratio within the middle portion of the market range is appropriate. Therefore, we have estimated a lease coverage ratio of 1.30 for the subject property. From the stabilized net operating income estimated for the subject property, a net return to the real property can be deduced by means of relying on a lease coverage ratio analysis.

Due to their long lived nature, real property is generally considered to contain less overall risk than FF&E or intangible assets. We have capitalized the estimated net operating income attributable to the real property at a rate that is 100 basis points below the overall capitalization rate selected for the going concern valuation, resulting in a capitalization rate of 5.50% (real estate only). Finally, deducting the resultant allocation to the real estate and FF&E value from the concluded going concern value yields a residual allocation to the intangibles via the Lease

Coverage Method. Our allocations through this method are presented in the following charts for each value premise:

AS IS - ALLOCATION VIA LEASE COVERAGE METHOD		
Component		**Calculations**
Net Operating Income (Year 1) (Going Concern)		$1,021,711
Divided by Lease Coverage Ratio	÷	1.30
Net Operating Income (Real Estate Position)		$785,931
Divided by Capitalization Rate (Real Estate)	÷	5.50%
Real Property Allocation		$14,289,664
Real Property Allocation (Rounded)		**$14,300,000**

AS IF TAX EXEMPT - ALLOCATION VIA LEASE COVERAGE METHOD		
Component		**Calculations**
Net Operating Income (Year 1) (Going Concern)		$1,102,711
Divided by Lease Coverage Ratio	÷	1.30
Net Operating Income (Real Estate Position)		$848,239
Divided by Capitalization Rate (Real Estate)	÷	5.50%
Real Property Allocation		$15,422,531
Real Property Allocation (Rounded)		**$15,400,000**

The individual lease coverage allocations are summarized within the following charts:

LEASE COVERAGE - AS IS	
Component	**Allocated Value**
Market Value (TAB)	$15,700,000
Allocated Value of Real Property	$14,300,000
Allocated Value of FF&E	$300,000
Allocated Value of the Intangibles	$1,100,000

ALLOCATION CONCLUSION - AS IF TAX EXEMPT	
Component	**Allocated Value**
Market Value (TAB)	$17,000,000
Allocated Value of Real Property	$15,400,000
Allocated Value of FF&E	$300,000
Allocated Value of the Intangibles	$1,300,000

Assumptions and Limiting Conditions

The Appraisal contained in this Report (herein "Report") is subject to the following assumptions and limiting conditions:

1. Unless otherwise stated in this report, title to the property which is the subject of this report (herein "Property") is assumed to be good and marketable and free and clear of all liens and encumbrances and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. No responsibility is assumed for the legal description, zoning, condition of title or any matters which are legal in nature or otherwise require expertise other than that of a professional real estate appraiser. This report shall not constitute a survey of the Property.

Unless otherwise stated in this report, it is assumed: that the improvements on the Property are structurally sound, seismically safe and code conforming; that all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; that the roof and exterior are in good condition and free from intrusion by the elements; that the Property and improvements conform to all applicable local, state, and federal laws, codes, ordinances and regulations including environmental laws and regulations. No responsibility is assumed for soil or subsoil conditions or engineering or structural matters. The Property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report is based, unless otherwise stated. The physical condition of the Property reflected in this report is solely based on a visual inspection as typically conducted by a professional appraiser not someone with engineering expertise. Responsible ownership and competent property management are assumed.

Unless otherwise stated in this report, this report did not take into consideration the existence of asbestos, PCB transformers or other toxic, hazardous, or contaminated substances or underground storage tanks, or the cost of encapsulation, removal or remediation thereof. Real estate appraisers are not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater or other potentially hazardous materials and substances may adversely affect the value of the Property. Unless otherwise stated in this report, the opinion of value is predicated on the assumption that there is no such material or substances at, on or in the Property.

All statements of fact contained in this report as a basis of the analyses, opinions, and conclusions herein are true and correct to the best of the appraiser's actual knowledge and belief. The appraiser is entitled to and relies upon the accuracy of information and material furnished by the owner of the Property or owner's representatives and on information and data provided by sources upon which members of the appraisal profession typically rely and that are deemed to be reliable by such members. Such information and data obtained from third party sources are assumed to be reliable and have not been independently verified. No warranty is made as to the accuracy of any of such information and data. Any material error in any of the said information or data could have a substantial impact on the conclusions of this Report. The appraiser reserves the right to amend conclusions reported if made aware of any such error.

The opinion of value stated in this report is only as of the date of value stated in this report. An appraisal is inherently subjective and the conclusions stated apply only as of said date of value, and no representation is made as to the effect of subsequent events. This report speaks only as of the date hereof.

Any projected cash flows included in the analysis are forecasts of estimated future operating characteristics and are predicated on the information and assumptions contained within this report. Any projections of income, expenses and economic conditions utilized in this report are not predictions of the future. Rather, they are estimates of market expectations of future income and expenses. The achievement of any financial projections will be affected by fluctuating economic conditions and is dependent upon other future occurrences that cannot be assured. Actual results may vary from the projections considered herein. There is no warranty or assurances that these forecasts will occur. Projections may be affected by circumstances beyond anyone's knowledge or control. Any income and expense estimates contained in this report are used only for the purpose of estimating value and do not constitute predictions of future operating results.

The analyses contained in this report may necessarily incorporate numerous estimates and assumptions regarding Property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by the analysis will vary from estimates, and the variations may be material.

All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraphs, several events may occur that could substantially alter the outcome of the estimates such as, but not limited to changes in the economy, interest rates, capitalization rates, behavior of consumers, investors and

lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. In making prospective estimates and forecasts, it is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. This report shall be considered only in its entirety. No part of this report shall be utilized separately or out of context.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the Firm. Possession of this report, or a copy hereof, does not carry with it the right of publication.

Client and any other Intended User identified herein should consider this report and the opinion of value contained herein as only one factor together with its own independent considerations and underwriting guidelines in making any decision or investment or taking any action regarding the Property. Client agrees that Firm shall not be responsible in any way for any decision of Client or any Intended User related to the Property or for the advice or services provided by any other advisors or contractors. The use of this report and the appraisal contained herein by anyone other than an Intended User identified herein, or for a use other than the Intended Use identified herein, is strictly prohibited. No party other than an Intended User identified herein may rely on this report and the appraisal contained herein.

Unless otherwise stated in the agreement to prepare this report, the appraiser shall not be required to participate in or prepare for or attend any judicial, arbitration, or administrative proceedings.

The Americans with Disabilities Act (ADA) became effective January 26, 1992. No survey or analysis of the Property has been made in connection with this report to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. No expertise in ADA issues is claimed, and the report renders no opinion regarding the Property's compliance with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

Acceptance and/or use of this report constitutes full acceptance of these Assumptions and Limiting Conditions and any others contained in this report, including any Extraordinary

Assumptions and Hypothetical Conditions, and is subject to the terms and conditions contained in the agreement to prepare this report and full acceptance of any limitation of liability or claims contained therein.

Americans with Disabilities Act (ADA) of 1990

A civil rights act passed by Congress guaranteeing individuals with disabilities equal opportunity in public accommodations, employment, transportation, government services, and telecommunications. Statutory deadlines become effective on various dates between 1990 and 1997. We have not made a determination regarding the subject's ADA compliance or non-compliance. Non-compliance could have a negative impact on value; however, this has not been considered or analyzed in this appraisal.

Addendum A

Glossary of Terms

The following definitions are derived from The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015).

Absorption Period: The actual or expected period required from the time a property, group of properties, or commodity is initially offered for lease, purchase, or use by its eventual users until all portions have been sold or stabilized occupancy has been achieved.

Absorption Rate: 1) Broadly, the rate at which vacant space in a property or group of properties for sale or lease has been or is expected to be successfully sold or leased over a specified period of time. 2) In subdivision analysis, the rate of sales of lots or units in a subdivision.

Ad Valorem Tax: A tax levied in proportion to the value of the thing(s) being taxed. Exclusive of exemptions, use-value assessment provisions, and the like, the property tax is an ad valorem tax. (International Association of Assessing Officers [IAAO])

As Is Market Value: The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Interagency Appraisal and Evaluation Guidelines) Note that the use of the "as is" phrase is specific to appraisal regulations pursuant to FIRREA applying to appraisals prepared for regulated lenders in the United States. The concept of an "as is" value is not included in the Standards of Valuation Practice of the Appraisal Institute, Uniform Standards of Professional Appraisal Practice, or International Valuation Standards.

Assessed Value: The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value.

Cash Equivalency: An analytical process in which the sale price of a transaction with nonmarket financing or financing with unusual conditions or incentives is converted into a price expressed in terms of cash or its equivalent.

Contract Rent: The actual rental income specified in a lease.

Disposition Value: The most probable price that a specified interest in property should bring under the following conditions: 1) Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market. 2) The property is subjected to market conditions prevailing as of the date of valuation. ***3)*** Both the buyer and seller are acting prudently and knowledgeably. 4) The seller is under compulsion to sell. 5) The buyer is typically motivated. 6) Both parties are acting in what they consider to be their best interests. 7) An adequate marketing effort will be made during the exposure time. 8) Payment will be made in cash in US dollars (or the local currency) or in terms of financial arrangements comparable thereto. 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales

concessions granted by anyone associated with the sale. This definition can also be modified to provide for valuation with specified financing terms.

Effective Rent: Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord.

Excess Land: Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. See also ***surplus land.***

Excess Rent: The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties.

Exposure Time: 1) The time a property remains on the market. 2) [The] estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

Extraordinary Assumption: An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. See also ***hypothetical condition.***

Fee Simple Estate: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Floor Area Ratio (FAR): The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area.

Frictional Vacancy: The amount of vacant space needed in a market for its orderly operation. Frictional vacancy allows for move-ins and move-outs.

Full Service Lease: See ***gross lease.***

General Vacancy: A method of calculating any remaining vacancy and collection loss considerations when using discounted cash flow (DCF) analysis, where turnover vacancy has been used as part of the income estimate. The combined effects of turnover vacancy and general vacancy relate to total vacancy and collection loss.

Going-Concern Premise: One of the premises under which the total assets of a business can be valued; the assumption that a company is expected to continue operating well into the future (usually indefinitely).

Going Concern Value: An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the market value of the going concern or market value of the total assets of the business.

Gross Building Area (GBA): 1) Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved. 2) Gross leasable area plus all common areas. 3) For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space.

Gross Lease: A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called full-service lease.

Hypothetical Condition: 1) A condition that is presumed to be true when it is known to be false. (Appraisal Institute: The Standards of Valuation Practice [SVP]) 2) A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. See also ***extraordinary assumption.***

Intended Users: 1) The party or parties the valuer intends will use the report. (SVP) 2) The client and any other party as identified, by name or type, as users of the appraisal or appraisal review report by the appraiser on the basis of communication with the client at the time of the assignment. (USPAP, 2016-2017 ed.)

Investment Value: 1) The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.
2) The value of an asset to the owner or a prospective owner for individual investment or operational objectives. (International Valuation Standards [IVS])

Land-to-Building Ratio: The proportion of land area to gross building area; one of the factors determining comparability of properties.

Lease: A contract in which the rights to use and occupy land, space, or structures are transferred by the owner to another for a specified period of time in return for a specified rent.

Leased Fee Interest: The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

Leasehold Interest: The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

Lessee: One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement.

Lessor: One who conveys the rights of occupancy and use to others under a lease agreement.

Liquidation Value: The most probable price that a specified interest in property should bring under the following conditions: 1) Consummation of a sale within a short time period. 2) The property is subjected to market conditions prevailing as of the date of valuation. 3) Both the buyer and seller are acting prudently and knowledgeably. 4) The seller is under extreme compulsion to sell. 5) The buyer is typically motivated. 6) Both parties are acting in what they consider to be their best interests. 7) A normal marketing effort is not possible due to the brief exposure time. 8) Payment will be made in cash in US dollars (or the local currency) or in terms of financial arrangements comparable thereto. 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. This definition can also be modified to provide for valuation with specified financing terms.

Market Rent: The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).

Market Value: A type of value that is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined, such as the following. 1) The most widely accepted components of market value are incorporated in the following definition: The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress. 2) Market value is described, not defined, in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows: A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of

such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal. [2]

Market Value of the Going Concern: The market value of an established and operating business including the real property, personal property, financial assets, and the intangible assets of the business.

Marketing Time: An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.

Modified Gross Lease: A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a double net lease, net net lease, partial net lease, or semi-gross lease.

Net Lease: A lease in which the landlord passes on all expenses to the tenant. See also ***gross lease; modified gross lease.***

Net Net Net Lease: An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called NNN lease, triple net lease, or fully net lease.

Occupancy Rate: 1) The relationship or ratio between the potential income from the currently rented units in a property and the income that would be received if all the units were occupied.
2) The ratio of occupied space to total rentable space in a building.

Overage Rent: The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakpoint sales volume.

Percentage Rent: Rental income received in accordance with the terms of a percentage lease; typically derived from retail store and restaurant tenants and based on a certain percentage of their gross sales.

Prospective Market Value "As Completed" and "As Stabilized": A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with

[2] The actual definition of value used for this appraisal is contained within the body of the report. The definition of market value given above is general in viewpoint and is only provided for amplification.

a prospective market value reflects an effective date that is subsequent to the date of the appraisal report. Prospective value opinions are intended to reflect the current expectations and perceptions of market participants, based on available data. Two prospective value opinions may be required to reflect the time frame during which development, construction, and occupancy will occur. The prospective market value—as completed— reflects the property's market value as of the time that development is expected to be completed. The prospective market value—as stabilized— reflects the property's market value as of the time the property is projected to achieve stabilized occupancy. For an income-producing property, stabilized occupancy is the occupancy level that a property is expected to achieve after the property is exposed to the market for lease over a reasonable period of time and at comparable terms and conditions to other similar properties. (See USPAP Statement 4* and Advisory Opinion 17.) (Interagency Appraisal and Evaluation Guidelines)

Prospective Opinion of Value: A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

Rentable Area: For office or retail buildings, the tenant's pro rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to the areas below. The rentable area of a floor is computed by measuring to the inside finished surface of the dominant portion of the permanent building walls, excluding any major vertical penetrations of the floor. Alternatively, the amount of space on which the rent is based; calculated according to local practice.

Retrospective Value Opinion: A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."

Shell Rent: The typical rent paid for retail, office, or industrial tenant space based on minimal "shell" interior finishes (called vanilla finish or white wall finish in some areas). Usually the landlord delivers the main building shell space or some minimum level of interior build-out, and the tenant completes the interior finish, which can include wall, ceiling, and floor finishes, mechanical systems, interior electricity, and plumbing. Typically these are long-term leases with tenants paying all or most property expenses.

Surplus Land: Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an

independent highest and best use and may or may not contribute value to the improved parcel. See also ***excess land.***

Turnover Vacancy: A method of calculating vacancy allowance that is estimated or considered as part of the potential income estimate when using discounted cash flow (DCF) analysis. As units or suites turn over and are available for re-leasing, the periodic vacancy time frame (vacancy window) to release the space is considered.

Usable Area: 1) For office buildings, the actual occupiable area of a floor or an office space; computed by measuring from the finished surface of the office side of corridor and other permanent walls, to the center of partitions that separate the office from adjoining usable areas, and to the inside finished surface of the dominant portion of the permanent outer building walls. Sometimes called net building area or net floor area. See also floor area. 2) The area that is actually used by the tenants measured from the inside of the exterior walls to the inside of walls separating the space from hallways and common areas.

Use Value: The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Use value may or may not be equal to market value but is different conceptually. See also ***value in use.***

Value In Use: The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually. See also ***use value.***

Value Indication: A valuer's conclusion of value resulting from the application of an approach to value, e.g., the value indication by the sales comparison approach.

Addendum B

Engagement Letter

May 29, 2025

Peter Czajkowski
Director of Public Finance
STIFEL, NICOLAUS & COMPANY, INCORPORATED
501 N. Broadway, St. Louis, MO 63102

Phone: 314-602-8823
Email: czajkowp@stifel.com

Re: Appraisal of the property described as:
Liana of Venice - 2321 E Venice Ave, Venice, FL 34292
The Fairways at Naples - 3053 Airport-Pulling Rd N, Naples, FL
White Cliffs Senior Living - 3600 Peterson Rd, Kingman, AZ 86409 34105
Restoration Senior Living - 1444 Andrew Dr, Covington, LA 70433 ("**Properties**")

Dear Mr. Czajkowski:

Newmark Valuation & Advisory, LLC ("**Firm**") agrees to provide Stifel, Nicolaus & Company, Incorporated ("**Client" or "Stifel"**) an appraisal of the above Property in accordance with, and subject to, the terms and conditions set forth below and in the attached Schedules (collectively, the "**Agreement**").

APPRAISAL FEE:	$11,000.00 (inclusive of expenses).
ADDITIONAL HOURLY FEES:	None
RETAINER:	$5,500.00 with the return of this letter signed by the Client.
REPORT DELIVERABLES:	The appraisal, draft and/or final, shall be delivered in electronic format (typically, pdf). One original hard copy of the final appraisal will be provided to Client upon request.
COMMENCEMENT AND DELIVERY DATE:	Delivery is as follows: Final appraisal report: three (3) weeks The appraisal process will commence upon receipt by the Firm of (i) this Agreement, signed by Client, (ii) the retainer, and (iii) information and

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	materials identified in Schedule "B." The appraisal process will conclude upon delivery of the final appraisal report, unless terminated sooner by the Firm or Client or as provided herein.
REPORT TYPE:	Appraisal Report
VALUATION PREMISE:	Market Value
INTEREST IN THE PROPERTY APPRAISED:	Fee Simple Estate
DATE(S) OF VALUE:	Current as of: the Date of the Report Prospective as of: the Date(s) of Stabilization Current tax exempt as of: the Date of the Report
INTENDED USER(S):	Intended users of the appraisal include only Stifel and the not-for-profit designated purchaser of the properties ("**Intended User(s)**"), and no other party is permitted to use or rely on the appraisal. The identification of Intended User(s) of the appraisal is to determine the type and extent of research, analysis and reporting appropriate for the assignment. Designation of a party other than Client as an Intended User is not intended to confer upon such party any rights under this Agreement.
INTENDED USE:	The intended use of the appraisal is to be included within offering materials inconnection with the sale of securities to finance the acquisition of the Properties ("**Intended Use**") and no other use. The Firm will provide its consent to the Intended Use contingent only upon review of such offering materials to ensure use of appropriate language associated with references to the Appraisal.
RELIANCE LANGUAGE:	None
GUIDELINES:	The analyses, opinions and conclusions are to be developed based on, and the appraisal will be prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) as published by the Appraisal Foundation.
SCOPE OF WORK:	The appraiser will use and properly apply all applicable and appropriate approaches to value sufficient to produce credible assignment results. The scope of the analysis will be appropriate for the appraisal problem.
APPRAISAL REPORT SIGNATORY:	Patrick Murphy

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ASSUMPTIONS/ LIMITING CONDITIONS:	The appraisal will be subject to Firm's standard Assumptions and Limiting Conditions, which will be incorporated into the appraisal report. In addition, the appraisal may be subject to, and the appraisal report may contain, Extraordinary Assumptions and Hypothetical Conditions.
ACCEPTANCE:	This shall constitute a binding agreement only if countersigned by the Client, or by an officer, director or other representative of Client who, by signing and accepting this Agreement, represents and warrants that he/she is authorized by Client to do so.
PAYMENT:	Client will be invoiced the appraisal fee (and any expenses) which will be earned in full upon initial delivery of the appraisal report (draft or final), with such appraisal fee (and expenses) payable within 30 days of invoicing. Payment of the fee is not contingent upon any predetermined value or on an action or event resulting from the analysis, opinions, conclusions or use of the appraisal.
CHANGES TO THE AGREEMENT:	Any significant changes to the assignment as outlined in this Agreement, such as the identity of the Client, Intended Users, or Intended Use, will require the preparation and execution of a new agreement.
CANCELLATION OF ASSIGNMENT:	Client may cancel this Agreement at any time prior to the Firm's delivery of the appraisal upon written notification to the Firm. Client shall pay Firm for all work completed on the assignment prior to Firm's receipt of such written cancellation notice, unless otherwise agreed upon by Firm and Client in writing. The Firm may withdraw without penalty or liability from the assignment(s) contemplated by the Agreement before completion or reporting if the Firm determines, in the Firm's sole discretion, that incomplete information was provided to the Firm prior to the engagement, that Client or other parties have not or cannot provide documentation or information necessary to the Firm's analysis or reporting, that conditions of the Property render the original scope of work inappropriate, that a conflict of interest has arisen, or that Client has not complied with its payment obligations under this Agreement. The Firm shall notify Client of such withdrawal in writing.
NO THIRD-PARTY BENEFICIARIES:	Nothing in the Agreement shall create a contractual relationship or any legal duty between Firm or Client and any third party, nor any cause of action, right, or claim in favor of any third party and against Firm or Client. In addition, this Agreement is not intended to, and shall not be construed to, render any person or entity a third-party beneficiary of this Agreement. Client acknowledges and agrees that the appraisal report shall reflect the foregoing. In addition, the appraisal report shall state that no party other

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than an “Intended User” identified in the Agreement is entitled to rely upon the appraisal.

This Agreement may be rescinded by the Firm unless signed and returned to the undersigned within 10 days from the date hereof.

If this Agreement correctly sets forth the Client’s understanding of the services to be rendered, and if the terms are satisfactory, please execute and return the Agreement together with any required retainer.

Thank you and we look forward to working on this assignment.

Respectfully,

Patrick Murphy
Senior Appraiser
Certified General Appraiser
License No. Cert Gen RZ4537
Patrick.Murphy@nmrk.com
813-262-2536

Agreed: Stifel, Nicolaus & Company, Incorporated

SIGNATURE:

PRINT NAME: Peter J. Czajkowski

TITLE: Director of Public Finance

DATE: May 29, 2025

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Schedule “A”

TERMS AND CONDITIONS

ATTACHED TO AND A PART OF THE AGREEMENT DATED MAY 29, 2025 TO PROVIDE APPRAISAL SERVICES FOR STIFEL, NICOLAUS & COMPANY, INCORPORATED

1. These Terms and Conditions are attached to and incorporated into the above referenced Agreement as though fully set forth in full therein. Capitalized terms if not defined herein shall have the same meaning as defined in the Agreement.

2. With respect to any appraisal report, use of or reliance on the appraisal by any party, regardless of whether the use or reliance is authorized or known by the Firm, constitutes acceptance of these Terms and Conditions as well as acceptance of all other appraisal statements, limiting conditions and assumptions stated in the Agreement and appraisal report.

3. It is assumed that there are no matters affecting the Property that would require the expertise of other professionals, such as engineers or an environmental consultant, for Firm to provide the appraisal. If such additional expertise is required, it shall be provided by other parties retained by Client at Client’s sole cost and expense.

4. Client acknowledges that the Firm is being retained as an independent contractor to provide the services described herein and nothing in this Agreement shall be deemed to create any other relationship between Firm and Client, including but not limited to an agency relationship. The parties neither intend nor have any expectation that any such relationship will arise as a matter of law or as a result of this Agreement. This assignment shall be deemed concluded and the services hereunder completed upon delivery of the appraisal described herein to Client.

5. All statements of fact contained in the appraisal report as a basis of the appraiser's analyses, opinions, and conclusions will be true and correct to the best of the appraiser's actual knowledge and belief. The appraiser is entitled to, and shall rely upon the accuracy of information and material furnished to the Firm by Client. Appraiser is also entitled to, and shall, rely on information provided by sources upon which members of the appraisal profession typically rely and that are deemed to be reliable by members of that profession without independent verification.

6. The Firm and the appraiser shall have no responsibility for legal matters, or questions or issues involving survey or title, soil or subsoil conditions, engineering, zoning, buildability, environmental contamination, structural matters, construction defects, material or methodology, or other similar technical matters with regarding the Property. Furthermore, the appraisal will not constitute a survey of the Property.

7. The appraisal and the data and information gathered in its preparation (other than the confidential data and information provided by Client) is and will remain, the property of the Firm. The Firm shall not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished by Client to the Firm. Notwithstanding the foregoing, the Firm and the appraiser are authorized by Client to disclose all or any portion of the appraisal and appraisal report and the related data and information, including confidential data and information provided by Client, to appropriate representatives of the Appraisal Institute if such disclosure is required to comply with the Standards, Bylaws and Regulations of the Appraisal Institute, as well as, such disclosure as required by law and regulations, including compliance with a subpoena and licensing authority regulatory inquiries. The Firm is also authorized to include both confidential and non-confidential data assembled in the course of preparing the appraisal and which may be incorporated into the appraisal report in a database controlled by the Firm for the aggregation of such data and information to produce analytics and other metrics or products.

8. Unless specifically noted in the appraisal report, the appraisal will not take into consideration the possibility or probability of the existence of asbestos, PCB transformers, other toxic, hazardous, or contaminated substances

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and/or underground storage tanks (hazardous material) at on or in the Property, or the cost of encapsulation, removal or remediation thereof.

9. Client shall indemnify, defend (by counsel to be selected by Firm), protect, and hold Firm and Firm's appraisers, agents, employees, affiliates, representatives, successors and assigns (each, a "**Firm Party**"), free and harmless from any and all claims, liabilities, losses, penalties, fines, forfeitures, amounts paid in settlement, judgments, and all reasonable attorneys' fees and related litigation costs, fees and expenses incurred by the any of such indemnitees, which result from (i) any failure by Client or Client's agents or representatives to provide Firm with complete and accurate information regarding the Property; (ii) any material breach by Client of the provisions of the Agreement; (iii) if delivery of the appraisal to a third party is permitted by the Firm, Client providing an incomplete copy of the appraisal to such third party; or (iv) arising from Client or Client's agents or representatives providing a copy of the appraisal to a party not authorized by the Firm to receive such copy.

10. In preparing the appraisal, it is possible that the appraiser will discover conflicting information. In that event, appraiser will utilize information and data considered to be the most authoritative and for critical information will document the source. Information and data referred to may include, but is not limited to, legal descriptions; physical street addresses; assessor parcel numbers; property history; dimensions and areas of the site/land; dimensions and areas of the building improvements; physical unit counts; rent rolls; leases; lease abstracts; income and expense data; and any other related data. Any material discrepancy and/or error in any of the above data could have a substantial impact on the conclusions reported, and the Firm therefore reserves the right to amend conclusions reported if the Firm is made aware of any such discrepancy and/or error.

11. The appraisal may not be used, included or referenced, in whole or in part, in any offering or other materials without the prior written consent of the Firm, which consent may be conditioned upon the receipt by the Firm of an indemnity agreement, in form and content, satisfactory to Firm and provided by an indemnitor satisfactory to Firm. Client agrees to pay the fees of the Firm's legal counsel for review of any materials which is the subject of the requested consent. Except as agreed by the Firm expressly in writing, the Firm disclaims liability to any party other than Client.

12. The Firm shall not provide a copy of the appraisal to, or disclose the results of the appraisal to, any party other than Client, unless Client authorizes same, except as provided in the Confidentiality Section of the ETHICS RULE of the Uniform Standards of Professional Appraisal Practice (USPAP) or as otherwise required by law or regulations.

13. Client and any other identified Intended User should consider the appraisal as only one factor together with its own independent considerations and underwriting guidelines in making any decision or investment or taking any action regarding the Property. Client agrees that Firm shall not be responsible in any way for any decision of Client or any Intended User related to the Property or for the advice or services provided by any other advisors or contractors.

14. Unless otherwise stated in this Agreement, Client agrees that the services pursuant to this Agreement shall not include participation in or preparation for, or attendance at, any legal, judicial, administrative, or arbitration proceeding relating to this assignment. In the event the Firm or any Firm Party is required, whether through the service of a subpoena or otherwise, to produce documents or participate in or prepare for any discovery, testimony or attendance, relating to the appraisal or this assignment, where the Firm or Firm Party is not a party to the action or proceedings involved, Client agrees to reimburse expenses incurred by the Firm or Firm Party, including attorney's fees, in responding to such subpoena or other legal process and compensate the Firm therefor based upon the appraiser's prevailing hourly or daily rate for providing services as an expert consultant or witness.

15. **LIMITATION ON LIABILITY** NEITHER PARTY'S AGGREGATE LIABILITY RELATED TO THIS AGREEMENT (WHETHER UNDER CONTRACT, TORT OR OTHERWISE) WILL EXCEED THE AMOUNT OF FEES PAID FOR THE APPRAISAL ASSIGNMENT, AND NEITHER PARTY WILL BE LIABLE FOR ANY CONSEQUENTIAL,

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SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE OR EXEMPLARY DAMAGES RELATED TO THIS AGREEMENT (WHETHER UNDER CONTRACT, TORT OR OTHERWISE).

16. **WAIVER OF CONSEQUENTIAL DAMAGES** IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, LOST PROFITS, LOSS OF REVENUE, LOSS OF USE OR INTERRUPTION OF BUSINESS) ARISING OUT OF OR RELATED TO THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

17. Except as expressly provided herein, Firm makes no representations or warranties to Client or to any other person or entity with respect to the appraisal and the services to be provided by Firm under this Agreement. To the maximum extent permitted under applicable law, in no event will the Firm or any Firm Party be liable to Client or any third party (regardless of whether such party's claimed use or reliance on the appraisal was authorized by the Firm or a Firm Party) for any claimed damages exceeding the damages in Paragraph 15. Legal claims or causes of action relating to the appraisal are not assignable, except: (i) as the result of a merger, consolidation, sale or purchase of a legal entity, (ii) with regard to the collection of a bona fide existing debt for services but then only to the extent of the total compensation for the appraisal plus reasonable interest, or (iii) in the case of an appraisal performed in connection with the origination of a mortgage loan, as part of the transfer or sale of the mortgage before an event of default on the mortgage or note or its legal equivalent.

18. Federal banking regulations require banks and other lending institutions to engage appraisers where FIRREA compliant appraisals must be used in connection with mortgage loans or other transactions involving federally regulated lending institutions. In view of that requirement, the appraisal may not be accepted by a federally regulated financial institution.

19. In the event Client fails to make payments of any fees or sums when due and payable under this Agreement; then from the date due and payable until paid, the amount due and payable shall bear interest at the maximum rate permitted under the laws of the state in which the Property is located. If the Firm is required to undertake collection efforts including institution of legal action against Client relating to the Agreement, the Firm shall be entitled to recover attorney's fees, litigation expenses, and costs from Client.

20. To the extent permitted under applicable law, any legal action or lawsuit or other proceeding by Client or any Intended User of the appraisal against Firm or a Firm Party whether based in contract, tort, warranty, indemnity or otherwise, relating to the appraisal shall be commenced within two (2) years from the date of delivery of the appraisal to the claimant in such action or proceeding, unless the applicable law provides for a shorter period, and any such claimant waives the right to a jury in any such legal action or lawsuit or other proceeding. Notwithstanding the state of domicile or residency of either party to this Agreement, this Agreement shall be governed and construed under the laws of the state in which the Property is located, and venue for any action or proceeding arising out of this Agreement shall be deemed proper only in the court of competent jurisdiction located in the state in which the Property is located.

21. Throughout the performance of services under this Agreement, the Firm shall maintain at its sole cost and expense the following insurance:

    (a) Workers' Compensation, so as to provide statutory benefits as required by the laws of each state within the United States in which the Firm's services are being provided, and Employer's Liability insurance with limits of liability of $1,000,000 each accident, $1,000,000 disease each employee and $1,000,000 disease policy limit covering all employees of the Firm engaged in the performance of such services.

    (b) Fidelity insurance or bond with a limit of $1,000,000 to insure the Firm against loss of its or Client's assets caused from the dishonest acts of the Firm's employees.

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(c) Professional Liability insurance with a limit of liability of $1,000,000 each claim and $1,000,000 aggregate, which limits may be provided by a combination of primary and excess policies.

(d) Commercial General Liability insurance providing coverage against damages due to bodily injury (including death), property damage and personal and advertising injury arising in connection with the Firm's services provided under this Agreement, which insurance coverage shall: (i) be occurrence-based; (ii) provide limits of liability in an amount of $2,000,000 each occurrence and $5,000,000 aggregate (including excess and/or umbrella limits), (iii) include at least those coverages generally included in the most current ISO Commercial General Liability insurance policy form (or its equivalent); and (iv) include Client, and such other persons or entities as Client has identified in writing, as additional insureds solely with regard to claims arising out of this Agreement.

(e) Commercial automobile liability for owned, hired and non-owned motor vehicles, with a $1,000,000 combined single limit.

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Schedule “B”

PROPERTY INFORMATION LIST

ATTACHED TO AND A PART OF THE AGREEMENT DATED MAY 29, 2025 TO PROVIDE APPRAISAL SERVICES FOR STIFEL, NICOLAUS & COMPANY, INCORPORATED

The following information is requested to be delivered to the Firm so we can provide the proposed services and prepare the Appraisal within the agreed upon time frame. Please forward the physical data such as the site plan, previous engineering reports and/or property reports describing the physical attributes of the Property and all financial information such as rent roll and income and expense statements first as these items are the most time sensitive and should be received immediately to meet the time requirements of this assignment. If, at this time, you are certain you will not be providing any specific items noted below, please cross out the item and mark “NA” next to the item so that we will be notified that the information is not available and will not be forthcoming.

1. **Please indicate whether Newmark is sales broker, leasing broker, mortgage broker or property manager for the subject property**.
2. Site plan, if available. (Preferably, an AS BUILT PLAN showing an outline of building/s drawn to scale. Please do not send reductions so original scale may be used for measurement purposes.
3. Building plans, if available.
4. Prior engineering report or physical descriptions from prior appraisals or asset management report, if available.
5. Leasing brochures and/or other marketing materials, if available.
6. If the Property has been offered for sale within the last two years, a copy of the offering memorandum or investment book.
7. Past feasibility or market studies and economic impact studies as well as any relevant information collected from third party sources.
8. Agreements of Sale/Options to Buy (current or during last three years), if any.
9. Income and expense statements for the past three years plus year-to-date income and expense statements.
10. Operating budget for current and next year, if available.
11. Current property insurance binder or last property insurance billing statement.
12. Management contracts.
13. Copy of most recent real estate tax bill. Please advise if there has been a notice or inquiry by either the County Assessment Board or the School Board regarding the property assessment. Is there any pending litigation or negotiations with these parties that could result in an assessment increase or decrease?
14. Title report, Legal Description, or copy of deed. Provide a written statement of five-year history of legal property owner. Please advise, if there any deed restrictions or encumbrances, easements or cross easements.
15. Personal property inventory, if available.
16. Occupancy rates for the last three years, if not revealed in the financial statements.
17. Ground leases, if any.

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18. Approximate actual construction costs, if built during the past three years.
19. Environmental audits and studies disclosing any wetlands, hazardous wastes or other environmental conditions such as asbestos or radon.
20. List of any known major repairs and improvements needed.
21. Three-year history of capital improvements.
22. Name of contact person for the on-site physical inspection.

FOR APARTMENT PROPERTY

23. Unit mix showing rentable area and asking rent by unit type
24. Scaled apartment unit plans showing layouts and measurements so that rentable area can be confirmed, if available.
25. Rent roll showing tenant name, apartment number, dates of leases and the type of apartment, asking/market rents for each apartment, and contractual rent for each apartment unit. (It would be greatly appreciated if you can provide the rent roll in Excel.)
26. Terms of leases and/rent roll for leased commercial space or roof top rentals. Copies of commercial leases are desirable. If any commercial leases provide for pass through of operating expenses over a base year stop, please provide the dollar amount of the base year stop.

FOR INDUSTRIAL, OFFICE, RETAIL PROPERTY

27. Rent Roll (please sign and date) and copies of leases, including addenda and all amendments. Please indicate which leases may have early termination provisions, expansion and/or purchase options. Please identify any tenants who have initiated discussions to renew, terminate or renegotiate/modify their lease(s), or who have given notice to terminate. Proposed terms for such re-negotiations should be revealed.
28. Provide letters of intent to lease or other any outstanding lease proposals that have a reasonable likelihood of being finalized into executed leases.
29. Prior Argus files, if any.
30. List of outstanding leasing commissions brokers and terms of future payments.
31. Financial information such as Annual Statements or credit report/ratings on any major tenant in the building.
32. CAM and real estate tax reimbursement worksheets or listing of base year operating expenses, if applicable.
33. Three-year history of tenant retail sales, if available.

FOR LODGING PROPERTY

34. Terms of leases if any and/rent roll for leased commercial space or roof top rentals.
35. ADR and Occupancy rates for the last three years, if not revealed in the financial statements.
36. Business Plan and Marketing Strategy, if any for the upcoming fiscal year.
37. Terms of franchise agreement and management agreement, if any.

For Residential Subdivision Property

38. Building plans for the proposed single family, townhouse, age-restricted, and condominium residences. Please do not send reductions so original scale may be used for measurement purposes.

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39. Market Surveys and Feasibility Analyses, if any, for the proposed development program.

40. Marketing materials for the proposed single family, townhouse, age-restricted, and condominium residences.

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APPENDIX A-4

JUNE 2025 APPRAISAL RELATED TO LIANA OF VENICE

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NEWMARK VALUATION & ADVISORY

Liana of Venice

2321 E Venice Ave, Venice, Florida 34292

Newmark File No: 25-0228959

Appraisal Report As of

June 19, 2025

Prepared For

Mr. Peter Czajkowski

Stifel, Nicolaus & Company, Incorporated

501 N Broadway St

St. Louis, MO 63102

Prepared By:

Newmark Valuation & Advisory

4221 W Boy Scout Blvd, Suite 440

Tampa, Florida 33607

NEWMARK

June 19, 2025

Mr. Peter Czajkowski
Stifel, Nicolaus & Company, Incorporated
501 N Broadway St
St. Louis, MO 63102

Re: Appraisal of Liana of Venice located at
2321 E Venice Ave, Venice, Florida 34292
Newmark File No: 25-0228959

Dear Mr. Czajkowski:

The subject property is Liana of Venice, a memory care residence. The subject's site contains 2.88± acres (125,613+ square feet) of land area. Built in 2017, the subject is comprised of 50-units, 54-beds with 37,831± square feet of gross building area. The improvements are generally of above average quality as well as have been well-maintained and are considered to be in above average physical condition. Overall, the facility is of a modern design and has good functionality for a seniors housing use.

The subject property was physically inspected on March 19, 2024. Our current analysis reflects a date of value of June 19, 2025. As such, while our physical observations of the property are based on the March 2024 inspection, all valuation conclusions are as of the effective date of the report. We have assumed that the property has not experienced any significant physical changes since the date of inspection.

At your request, we have prepared an appraisal of Liana of Venice. The purpose of this appraisal is to estimate the market value of the Fee Simple interest of the total assets of the business (TAB) including real and personal property, which reflects its present condition and occupancy rate and assumes prudent marketing and management.

The property has been appraised based on the total assets of the business and assumes a sale, which includes the transfer of a valid operating license, an assembled workforce, and the transfer of all business assets necessary for the operation of a licensed health care facility and typically transferred with the sale of a property like the subject. However, the business assets specifically

exclude items that do not typically transfer such as holdings or investments, working capital, accounts receivable, and accounts payable, that are distinctly separate from the real estate.

We have appraised the subject as a going concern entity as its real and personal property are supportive of and tied to an ongoing business operation. Our market value conclusion is inclusive of real property, business personal property (FF&E), and intangible items (i.e. license, certificate of need, assembled workforce, goodwill, etc.) that are a byproduct of operations of the subject as a going concern business entity. This appraisal assumes that the subject property will continue to operate as a going concern. In any event that the subject property ceases its current operations, then the value of any or all of the components may be less than our conclusions within this report. Furthermore, these allocations are not reflective of the value of each component on a standalone basis. The exclusion of any one of the components from the going concern would render these individual allocations invalid.

We certify that we have no present or contemplated future interest in the property beyond this estimate of value. Your attention is directed to the Limiting Conditions and Assumptions section of this report. Acceptance of this report constitutes an agreement with these conditions and assumptions.

SWOT BULLETS

- High interest rates depressed CRE activity but the recent reduction by the Federal Reserve and additional expected reductions are introducing optimism into the market.
- The easing of inflation, continued consumer spending, and solid job growth have continued to keep the economy growing despite higher interest rates to this point.
- There have been some signs of increased CRE activity stemming from moderation in interest rates, adjustments by buyers and sellers to the economic environment, and an easing of credit restrictions. But distress in the CRE market, particularly in the office sector, remains a drag on CRE performance.

NATIONAL TRENDS AND UNCERTAINTIES

The Federal Reserve engineered the fastest increase in interest rates in their history, bringing the target federal funds rate to a high of 5.25-5.50% as of July 2023. However, in September 2024, the Fed began reversing course with a 50-basis point reduction. The 10-year Treasury, which is foundational to commercial real estate, rose to levels last seen in 2007 by October 2023, but has since trended downward. Credit tightening, which included wider credit spreads and lower loan-to-value ratios, arose due to uncertain economic outlooks, deterioration in real estate collateral values, and concerns about bank liquidity. Coinciding with higher interest rates, capitalization

rates rose quickly, and bid-ask spreads widened. While these trends have moderated, they are still prevalent and remain major drivers of current CRE market conditions.

The Federal Reserve maintained interest rates at this range until the September 2024 FOMC meeting, at which point a 50-basis point reduction was applied, due to leveling inflation rates. Further rate cuts in the coming months are expected.

Investors are adjusting to the new reality by modifying their investment strategies, leading to a narrowing of the bid-ask spread. While transaction volume for 2024 remains below 2023 levels, there are bright spots, such as multifamily sales volume in 2Q24 reaching the highest level since 4Q22. Real Capital Analytics has observed that CRE property prices have started to inch higher again, despite the impacts of high borrower rates. At the same time, RCA notes that distress continues to rise, with office properties leading the way and accounting for 40-45% of the total value of distressed assets. Although commercial real estate transaction volumes remain anemic, capitalization rates have stabilized. The Federal Reserve Beige Book reported that investment sales activity was flat across most regions, continuing prior trends. However, some signs of improvement are noted as "realistic" seller expectations are emerging, implying falling prices.

It will take time for the effects of higher interest rates to reverse. While opportunities are emerging since sales of distressed properties have increased, it is noted that distressed sales still account for only a small percentage of the total deal volume (about 5%). Interest rates have declined from their peak in October 2023, and debt market conditions have improved. Additional rate cuts by the Fed will likely have positive effects on CRE, impacting both prices and debt favorably. We have considered and will address these issues throughout this appraisal and report, including in our determinations of overall capitalization rates, discount rates, market rent assumptions, market conditions adjustments, and growth of rents and expenses where applicable.

Seniors Housing Trends and Uncertainties

- **Rising Operating Costs:** Labor shortages and increased wages continue to pressure operating margins across the senior housing sector. Although demand has rebounded post-COVID, particularly as occupancy levels begin to recover, many operators are still navigating a high-cost environment. Staffing remains the most significant expense, with persistent competition for qualified caregivers driving up wages and turnover-related costs. In addition, insurance premiums have risen due to increased liability risks and natural disaster exposures, while supply chain disruptions have led to higher prices for food, medical supplies, and maintenance materials. These challenges have made it difficult for many facilities to regain pre-pandemic profitability, even as revenue improves. Operators are responding by exploring operational efficiencies, leveraging technology, and, in some cases, adjusting pricing models to preserve margins.
- **Operator Performance Disparity:** The senior housing market continues to exhibit a notable bifurcation in operator performance. High quality operators with experienced management teams, strong staffing levels, and a demonstrated focus on resident satisfaction are outperforming peers across key metrics, including occupancy, resident retention, and financial stability. These operators are often better positioned to adapt to rising costs and labor constraints, and they tend to benefit from positive word-of-mouth and stronger referral networks. In contrast, underperforming operators are struggling to stabilize census and meet financial targets. This divergence has prompted investors to place heightened emphasis on operator quality.
- **Increased Demand from Aging Baby Boomers:** The aging of the baby boomer generation is driving an anticipated surge in demand for senior housing. This demographic wave is expected to continue gaining momentum throughout the next decade, fueling long-term growth across independent living, assisted living, and memory care segments. However, despite this rising demand there is growing uncertainty around affordability, particularly for middle-market seniors who fall between qualifying for Medicaid and being able to afford premium private pay communities. Addressing this affordability gap will be a key challenge for the industry as it prepares for the full impact of the baby boomer cohort.

MARKET VALUE AS IS - (TAB)

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, we have developed an opinion that the "As Is" market value of the total assets of the business (TAB) including real and personal property of this specific asset in Fee Simple interest, as of June 19, 2025, was:

$15,100,000

Our concluded value is allocated as follows:

ALLOCATION CONCLUSION - AS IS	
Component	**Allocated Value**
Market Value (TAB)	$15,100,000
Allocated Value of Real Property	$13,600,000
Allocated Value of FF&E	$400,000
Allocated Value of the Intangibles	$1,100,000

AS IF TAX EXEMPT - (TAB)

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, we have developed an opinion that the "As if Tax Exempt" value of the total assets of the business (TAB) including real and personal property, as of June 19, 2025, will be:

$16,300,000

ALLOCATION CONCLUSION - AS IF TAX EXEMPT	
Component	**Allocated Value**
Market Value (TAB)	$16,300,000
Allocated Value of Real Property	$14,600,000
Allocated Value of FF&E	$400,000
Allocated Value of the Intangibles	$1,300,000

Extraordinary Assumptions

An extraordinary assumption is defined in USPAP as an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results.

- It is an extraordinary assumption of this report that the subject property has not undergone any material physical changes since the inspection conducted on March 19, 2024. The effective date of value is June 19, 2025, and this valuation is based on the condition of the property as observed during the inspection. Should any physical characteristics of the property have changed between the date of inspection and the effective date of value, the conclusions contained herein could be impacted.

Hypothetical Conditions

A hypothetical condition is defined in USPAP as a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis. The value conclusions are based on the following hypothetical conditions that may affect the assignment results.

- The as is tax exempt value results within this appraisal report are predicated on a hypothetical condition that the subject property is tax exempt due to not-for-profit status.

Prior Services

Newmark previously conducted an appraisal of the subject property with the following value conclusions:

- Market Value As Is: March 19, 2024: $13,700,000
- As If Tax Exempt: March 19, 2024: $14,900,000

The concluded value reflects an increase over the prior valuation due to higher in-place rates at the facility and a reduction in certain operating expenses. These factors contributed to an improved net operating income relative to prior periods.

The appraisal was developed based on, and this report has been prepared in conformance with the Client's appraisal requirements, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, Title XI of the Financial Institution Reform, Recovery and Enforcement Act (FIRREA) of 1989, and the Interagency Appraisal and Evaluation Guidelines (December 2, 2010).

Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions, and conclusions.

3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

7. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, as well as the requirements of the State of Florida.

9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

11. As of the date of this report, Norman W. LeZotte, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.

12. Patrick R. Murphy made a personal inspection of the property that is the subject of this report.

13. No one provided significant real property appraisal assistance to the person(s) signing this certification.

14. The Firm operates as an independent economic entity. Although employees of other service lines or affiliates of the Firm may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy were maintained at all times with regard to this assignment without conflict of interest.

15. Within this report, "Newmark ", "Newmark Valuation & Advisory", "Newmark, Inc.", and similar forms of reference refer only to the appraiser(s) who have signed this certification and any persons noted above as having provided significant real property appraisal assistance to the persons signing this report.

16. Patrick R. Murphy has performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment. The services include one appraisal within the past three years. Norman W. LeZotte, MAI has not performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.

Norman W. LeZotte, MAI
Regional Managing Director
Florida State Certified General
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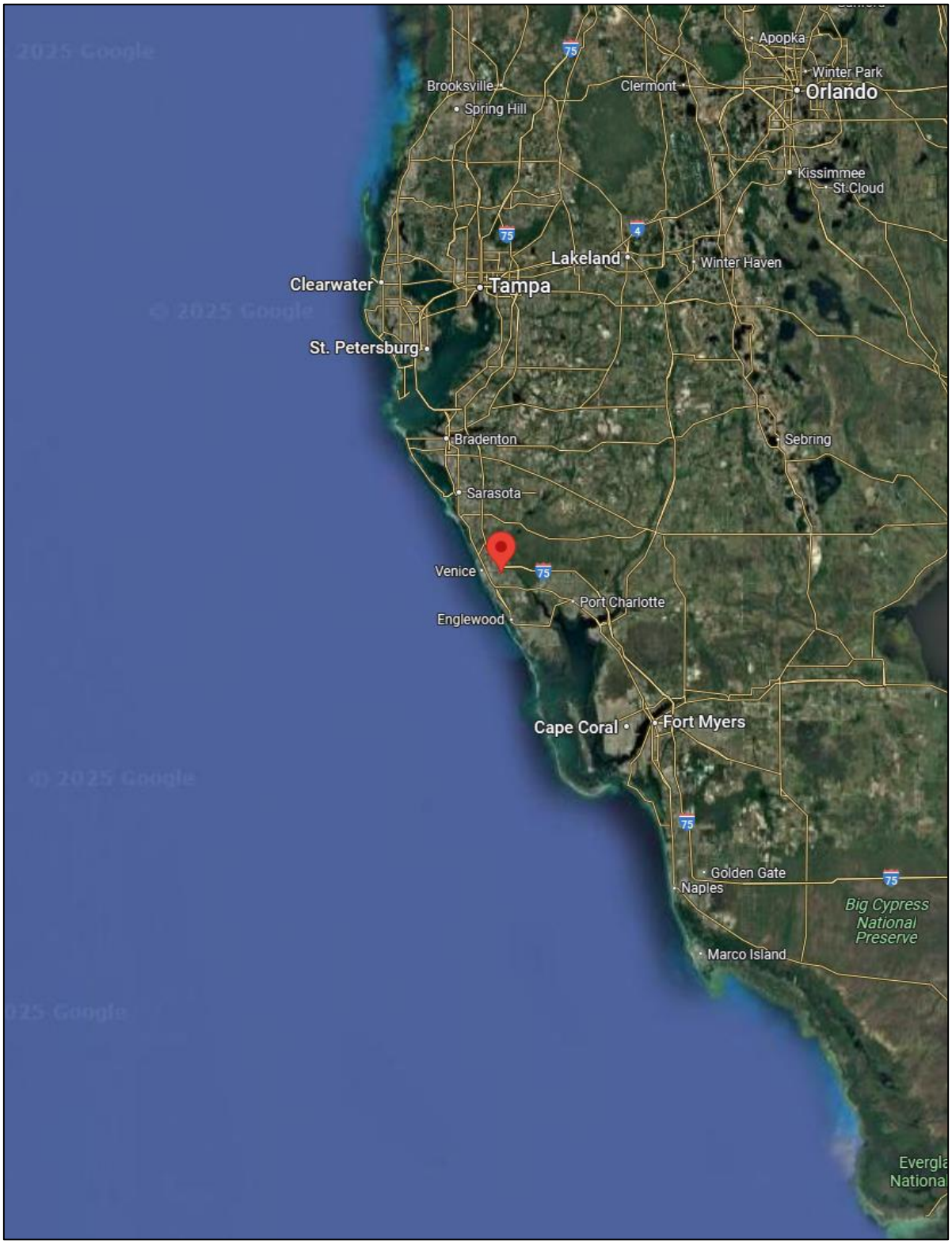
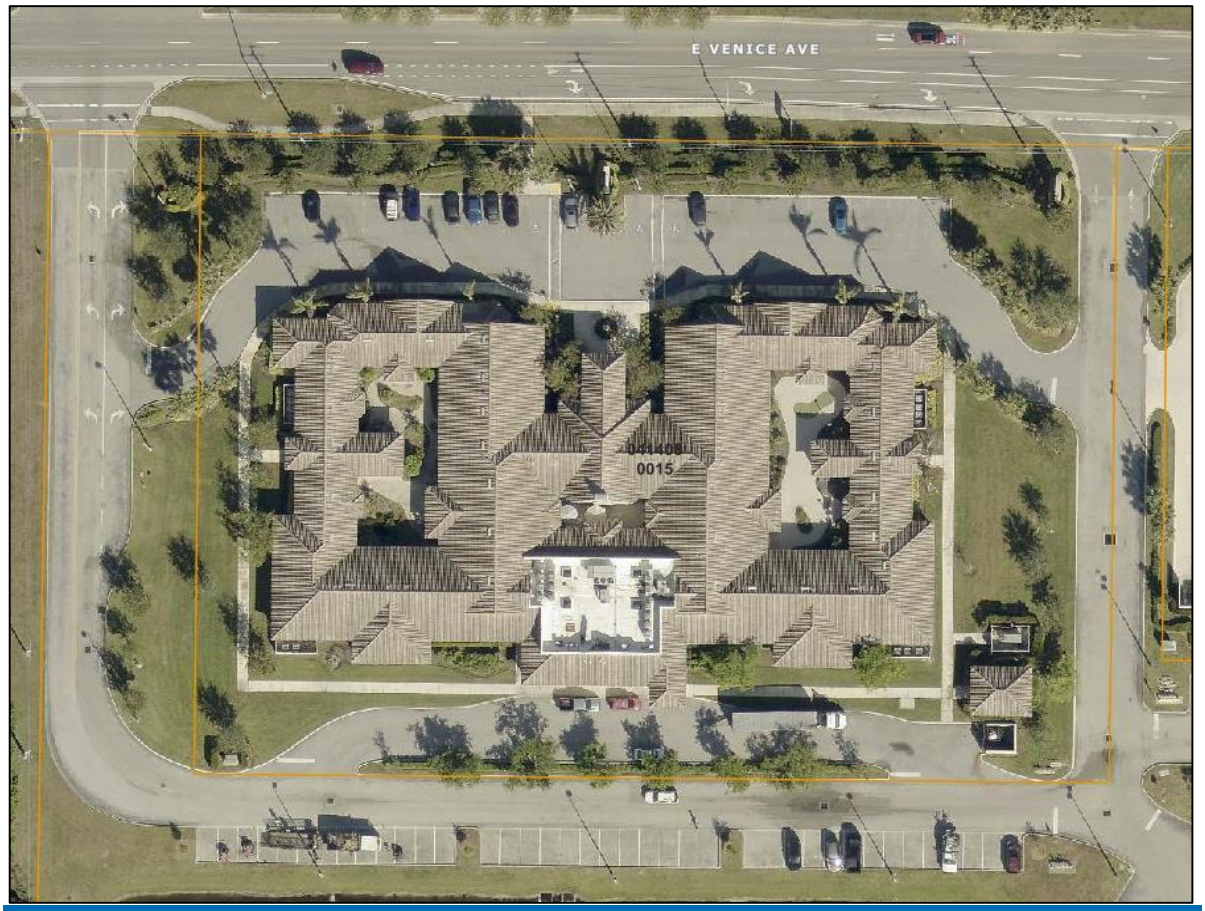
SUBJECT LOCATION MAP



SUBJECT PHOTOGRAPHS

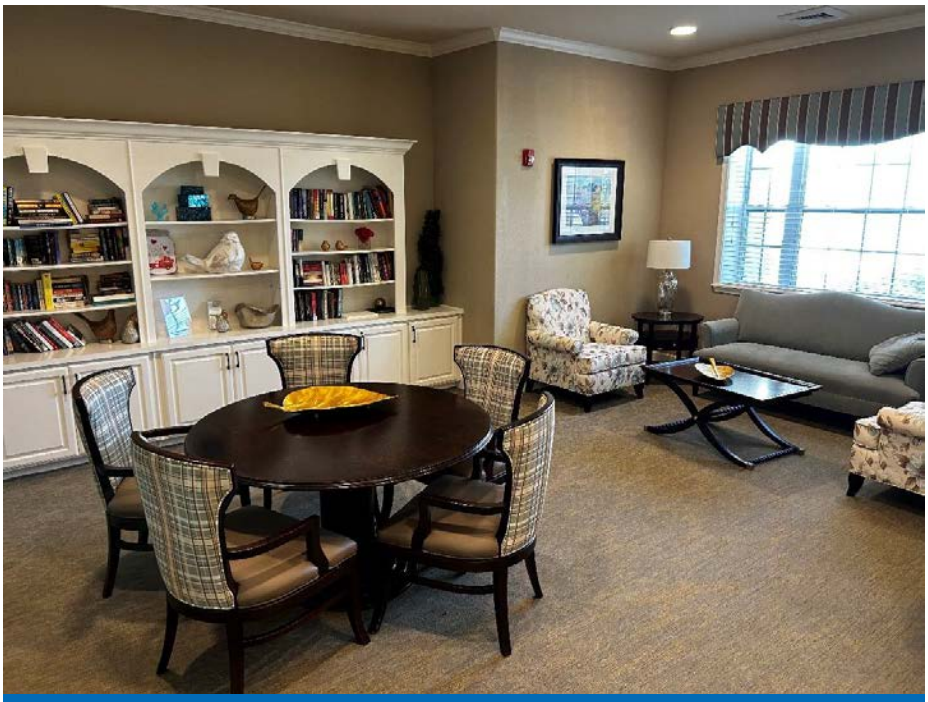


AERIAL PHOTOGRAPH OF THE SUBJECT

- The following photos were taken on March 19, 2024

FRONT ELEVATION OF THE SUBJECT IMPROVEMENTS

ENTRANCE



RESIDENT LOUNGE

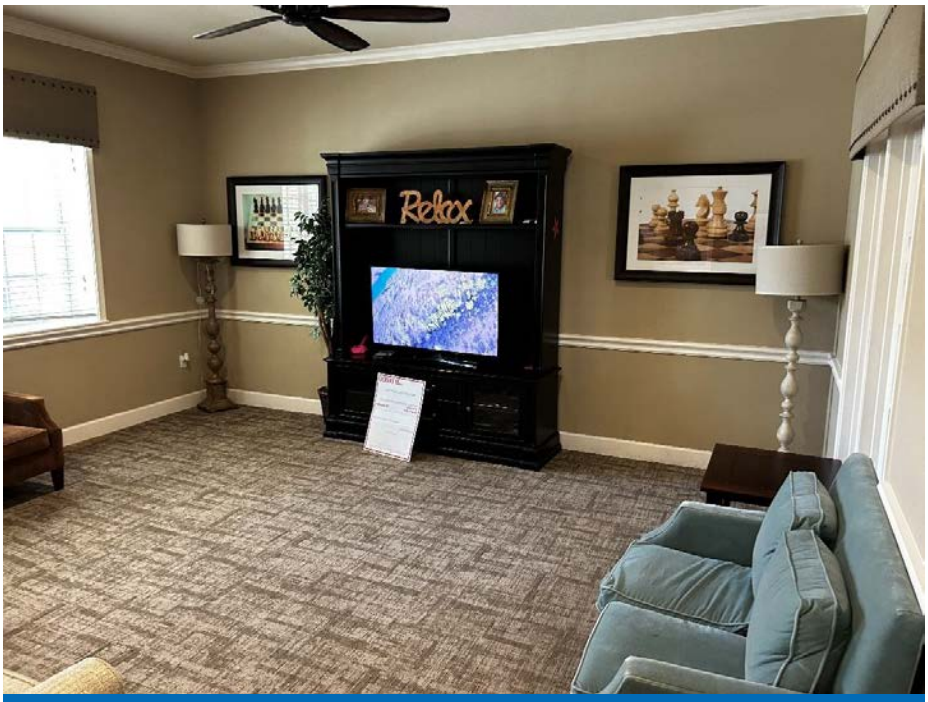
MAIN DINING AREA

COMMERCIAL KITCHEN

TYPICAL HALLWAY

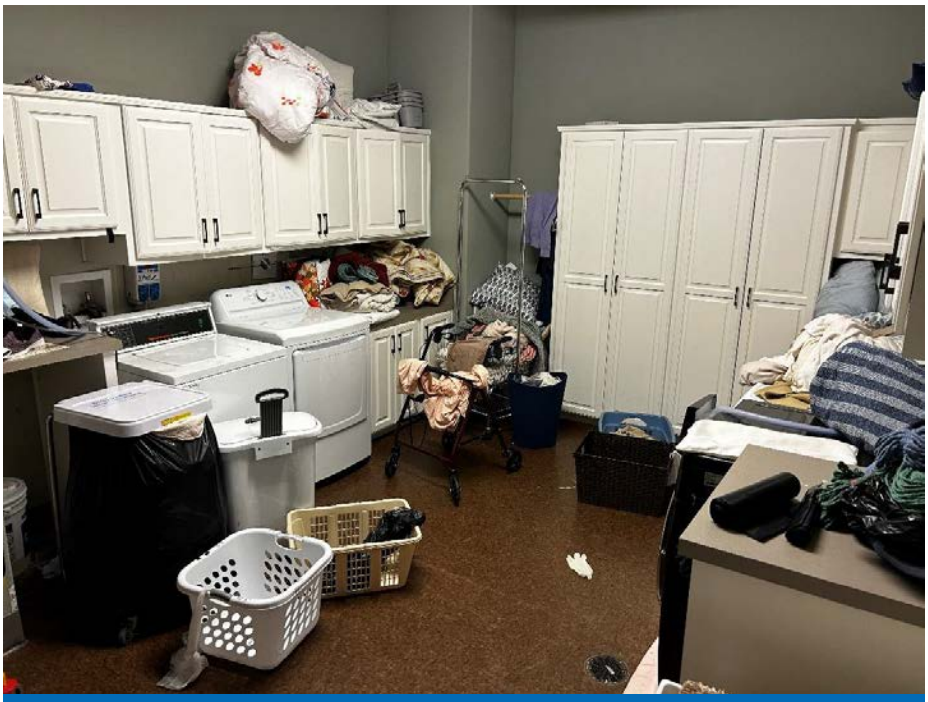
TYPICAL RESIDENT BEDROOM

TYPICAL RESIDENT BATHROOM



COMMON AREA

SALON

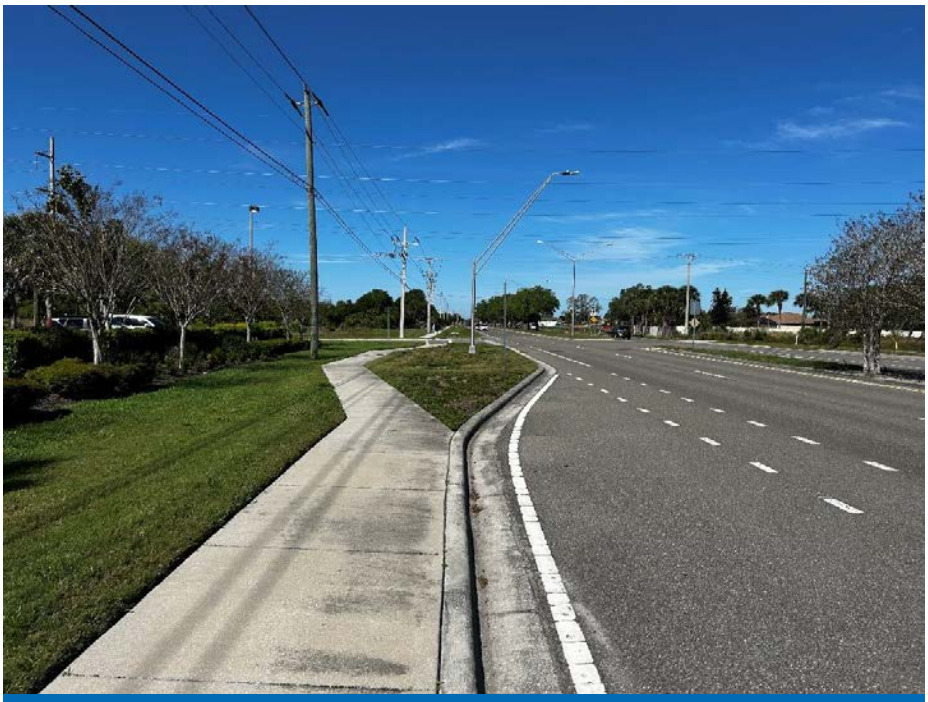


LAUNDRY

COURTYARD

EXTERIOR

STORAGE



STREETVIEW LOOKING WEST ON EAST VENICE AVENUE

STREETVIEW LOOKING EAST ON EAST VENICE AVENUE

Executive Summary

General Identification of Property	
Property Name:	Liana of Venice
Property Location:	2321 E Venice Ave, Venice, Sarasota County, Florida 34292
Legal Description:	A legal description is included in the addenda of this report.
Assessor Identification Number:	10-39S-19E

Ownership History	
Ownership:	Venice Memory Care LLC
Sale History:	No sales involving the subject have been recorded during the prior three years. Additionally, we are not aware of any current agreements of sale, options, or listings relating to the subject property.
Lease/Service Agreements:	Not applicable.

Property Description	
Land Area (Total):	125,613± square feet (2.88± acres)
Zoning:	CG (Commercial, General)
Improvement Type:	Memory Care Residence
Year Built:	2017
Number of Stories:	One

Licensed Capacity:

License Capacity	
Memory Care:	54 Beds
Total	**54 Beds**

Operating Capacity:

Operating Capacity	
Memory Care:	54 Beds
Total	**54 Beds**

Current Occupancy:

Occupancy	
Memory Care:	85%
Total	**85%**

Gross Building Area (GBA): 37,831± square feet

Quality of Improvements: Above Average

Condition of Improvements: Above Average

Exposure Time and Marketing Time

Exposure Time: 9 months

Marketing Time: 9 months

Highest and Best Use

As Vacant: For Immediate development with a senior housing use

As Improved: As currently improved

Value Indications

Date of Report: June 19, 2025

Date of Property Inspection: March 19, 2024

Property Interest Appraised: Fee Simple Interest

Value Premises	Effective Date	Sales Comparison	Income Capitalization	Conclusion
As Is (TAB)	June 19, 2025	$15,100,000	$15,100,000	**$15,100,000**
As Is (TAB) - Tax Exempt	June 19, 2025	–	$16,300,000	**$16,300,000**

Extraordinary Assumptions

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- The as is tax exempt value results within this appraisal report are predicated on a hypothetical condition that the subject property is tax exempt due to not-for-profit status.

Introduction

OWNERSHIP HISTORY

The current owner is Venice Memory Care LLC.

No sales involving the subject have been recorded during the prior three years. Additionally, we are not aware of any current agreements of sale, options, or listings relating to the subject property.

INTENDED USE AND USER

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to non-client, non-intended users does not extend reliance to any other party and Newmark will not be responsible for unauthorized use of the report, its conclusions or contents used partially or in its entirety.

- The intended use of the appraisal is to be included within offering materials in connection with the sale of securities to finance the acquisition of the Properties (“Intended Use”) and no other use. The Firm will provide its consent to the Intended Use contingent only upon review of such offering materials to ensure use of appropriate language associated with references to the Appraisal.
- The client is Stifel, Nicolaus & Company, Incorporated.
- Intended users of the appraisal include only Stifel and the not-for-profit designated purchaser of the properties (“Intended User(s)”), and no other party is permitted to use or rely on the appraisal. The identification of Intended User(s) of the appraisal is to determine the type and extent of research, analysis and reporting appropriate for the assignment. Designation of a party other than Client as an Intended User is not intended to confer upon such party any rights under this Agreement.

DEFINITION OF VALUE

Market value is defined as:

“The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

(Source: Code of Federal Regulations, Title 12, Chapter I, § 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

Market Value of the Total Assets of the Business (MVTAB) is defined as:

"The market value of all of the tangible and intangible assets of a business as if sold in aggregate as a going concern."

(Source: Appraisal Institute: The Dictionary of Real Estate Appraisal, 7th Edition (Chicago: Appraisal Institute, 2022), page 109)

The property has been appraised based on the total assets of the business and assumes a sale, which includes the transfer of a valid operating license, an assembled workforce, and the transfer of all business assets necessary for the operation of a licensed health care facility and typically transferred with the sale of a property like the subject. However, the business assets specifically exclude items that do not typically transfer such as holdings or investments, working capital, accounts receivable, and accounts payable, that are distinctly separate from the real estate.

We have appraised the subject as a going concern entity as its real and personal property are supportive of and tied to an ongoing business operation. Our market value conclusion is inclusive of real property, business personal property (FF&E), and intangible items (i.e. license, certificate of need, assembled workforce, goodwill, etc.) that are a byproduct of operations of the subject as a going concern business entity. This appraisal assumes that the subject property will continue to operate as a going concern. In any event that the subject property ceases its current operations, then the value of any or all of the components may be less than our conclusions within this report. Furthermore, these allocations are not reflective of the value of each component on a standalone basis. The exclusion of any one of the components from the going concern would render these individual allocations invalid.

INTEREST APPRAISED

The appraisal is of the Fee Simple interest.[1]

> ***Fee Simple Estate:*** Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

APPRAISAL REPORT

This report incorporates sufficient information regarding the data, reasoning and analysis that were used to develop the opinion of value in accordance with the intended use and user.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the Market Value of the Fee Simple interest of the total assets of the business (TAB) including real and personal property, which reflects its present condition and occupancy rate and assumes prudent marketing and management.

SCOPE OF WORK

Extent to Which the Property is Identified

- Physical characteristics
- Legal characteristics
- Economic characteristics

Extent to Which the Property is Inspected

During this assignment we inspected the subjects readily accessible site and building areas on March 19, 2024.

Type and Extent of the Data Researched

As per the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user. The scope of this appraisal required collecting primary and secondary data considered relevant to the subject property. Sales and rental data was researched. The input of buyers, sellers and property owners was also considered.

- Exposure and marking time.
- Neighborhood and land use trends.
- Flood zone status.
- Zoning requirements and compliance.

[1] The Dictionary of Real Estate, 6th Edition, Appraisal Institute

- Demographic trends.
- Market trends relative to the subject property type.
- Physical characteristics of the site and applicable improvements.
- Real estate tax data.
- Relevant applicable comparable data; and

Investment rates.

Type and Extent of Analysis Applied

We analyzed the property and market data gathered through the use of appropriate, relevant, and accepted market-derived methods and procedures. Further, we employed the appropriate and relevant approaches to value and correlated and reconciled the results into an estimate of market value, as demonstrated within the appraisal report.

Economic Analysis

AREA ANALYSIS

The subject is situated within the City Limits of Venice, Sarasota County, Florida. Florida is considered to be located in the Southeast United States regional area. Furthermore, the subject is located within the Sarasota-Bradenton MSA.

As a senior housing facility, investors typically focus on a regional area when considering new acquisitions. Therefore, as will be shown within the various approaches to value utilized, we placed primary consideration on the subject's regional area in our search for comparable sale data. As for prospective property residents, the competing market area is much more local.

An overview of the subject's metropolitan area is presented on the subsequent pages provided by Moody's Analytics. We then have presented an Executive Overview of the novel Corona virus (COVID-19) with a subsequent delineation and discussion of the subject's Primary Market Area (PMA) in the Market Analysis Section.

The following map illustrates the subject's location with respect to the regional area. Additionally, we have also included maps of the subject's greater surrounding area and neighborhood on following pages.

MAP OF THE USA
(Source: Map provided via NAR)

MOODY'S North Port-Sarasota-Bradenton FL

PRÉCIS® U.S. Metro

Data Buffet® MSA code: IUSA_MNPT

ECONOMIC DRIVERS

TOURIST DESTINATION

RETIREE HAVEN

EMPLOYMENT GROWTH RANK		RELATIVE COSTS		VITALITY	QUALITY
2023-2025	2023-2028	LIVING	BUSINESS	RELATIVE	OF LIFE
108	59	115%	96%	0.41	29
2nd quintile	1st quintile			Rank: 79	
Best=1, Worst=410		U.S.=100		Best=1, Worst=403	Best=1, Worst=378

BUSINESS CYCLE STATUS

STRENGTHS & WEAKNESSES

STRENGTHS

- Attractive quality of life and desirable weather draw retirees and tourists.
- Population growth is strong.
- Per capita income is high.
- High industrial diversity given area's size.

WEAKNESSES

- Above-average employment volatility.
- High cost of living.
- Reliance on spending by visitors due to large number of low-wage jobs.

FORECAST RISKS

SHORT TERM ↓ LONG TERM ↑

RISK EXPOSURE 2024-2029: **12** 1st quintile (Most=1, Least=403)

UPSIDE

- The prevalence of remote work supports stronger in-migration and consumer services, benefiting housing.
- Growth in the share of prime-age workers attracts more businesses to the area.

DOWNSIDE

- Energy prices rise again, weighing on tourism.
- House prices underperform expectations, weakening construction employment.

MOODY'S RATING

Aa2 COUNTY AS OF SEP 05, 2024

ANALYSIS

Recent Performance. North Port-Sarasota-Bradenton's economy is expanding steadily. Payroll survey data indicate that annual job gains lag the state and nation. However, data from the Quarterly Census of Employment and Wages—a more complete count of employment—point to significantly stronger growth than initial survey-based estimates, suggesting upward revisions. Most industries added jobs recently, led by robust gains in financial services, with healthcare and leisure/hospitality reaccelerating. The jobless rate has risen modestly but remains below 4%. The housing market is softening, house prices have declined on par with 2022's dip, homebuilding permits—while still elevated—are falling, and construction hiring is slowing.

Tourism. Tourism will build on recent gains in 2025. With nearly one in seven jobs tied to leisure/hospitality, NPT relies on the industry more heavily than 90% of metro areas. Employment gains have resumed after lackluster visitation weighed on growth for the first half of 2024. Tourism development tax revenues—derived from hotel stays and other short-term rentals—and passenger traffic at Sarasota Bradenton International Airport showed similar weakness before rebounding later in 2024. A favorable macroeconomic climate will drive further gains. With inflation moderating, cost pressures on households will abate further. Moreover, the labor market remains strong nationally, with healthy employment and wage gains. With these tailwinds, NPT's tourism cluster will outperform the nation in 2025.

Healthcare. Healthcare will remain a key source of job growth throughout the forecast. Though payroll survey estimates show employment growth slowing in 2024, QCEW data show feverish hiring. While only slightly above average as a share of total employment, healthcare is a key source of mid- and high-wage jobs. A sizable and growing senior population fuels demand for medical services. The favorable climate and high quality of life ensure that retirees and young adults will flock to the metro area. With demographic trends supporting demand for services and labor supply, healthcare is well positioned for robust gains. For example, top employer Sarasota Memorial plans to construct a new hospital. The building phase will support construction payrolls through 2028, with a second phase already planned. Texas-based Exalt Health has broken ground on a rehabilitation facility. Fully staffed, the facilities will support hundreds of healthcare and related jobs.

Assets. Structural advantages position NPT to outperform the state and the nation in the long run. Population growth has easily outstripped the U.S. average for decades. The metro area also usually bests the state, itself an outperformer. High-frequency migration data from Equifax point to additional strength in 2024. Heady growth in the working-age population will supply ample talent to support high- and mid-wage industries, including healthcare, tech and finance. This will allow these sectors to outperform their national counterparts. Long term, relatively low business costs make NPT an attractive destination for firms seeking expansion or relocation. Substantial income and population growth will bolster consumer industries and housing.

Renewed growth in tourism will enable North Port-Sarasota-Bradenton to pull ahead of the nation and Florida in 2025. Continued strength in healthcare will support steady job gains. In the longer term, robust population and income growth, combined with low business costs, will ensure NPT remains a consistent outperformer.

Shandor Whitcher
December 2024

2018	2019	2020	2021	2022	2023	INDICATORS	2024	2025	2026	2027	2028	2029
34.5	35.6	35.5	39.0	41.4	43.2	Gross metro product (C17$ bil)	44.6	46.0	47.2	48.4	49.9	51.4
2.3	3.3	-0.4	9.9	6.1	4.3	% change	3.3	3.1	2.6	2.7	2.9	3.1
304.9	310.4	297.5	313.0	327.4	342.2	Total employment (ths)	347.9	353.2	357.9	361.2	364.7	368.5
2.5	1.8	-4.2	5.2	4.6	4.5	% change	1.7	1.5	1.3	0.9	1.0	1.0
3.5	3.2	7.2	4.1	3.0	3.0	Unemployment rate (%)	3.5	4.0	4.0	4.0	3.8	3.8
6.7	8.2	6.1	10.7	4.7	9.1	Personal income growth (%)	6.6	5.8	5.9	5.7	5.6	6.1
61.1	63.7	66.7	70.2	74.9	78.9	Median household income ($ ths)	80.8	83.7	87.0	90.2	93.3	96.6
803.7	818.6	837.9	863.8	895.6	918.7	Population (ths)	939.0	955.5	967.2	978.3	989.4	1,000.7
1.6	1.9	2.4	3.1	3.7	2.6	% change	2.2	1.8	1.2	1.1	1.1	1.1
16.1	19.1	24.9	33.2	36.0	27.5	Net migration (ths)	24.9	21.7	17.2	16.6	16.9	17.1
6,383	6,542	8,433	12,106	10,987	10,495	Single-family permits (#)	10,531	6,759	7,343	7,522	7,350	7,124
3,906	3,467	1,056	3,818	4,793	5,433	Multifamily permits (#)	4,098	2,794	2,985	3,050	3,125	3,113
6.2	4.5	5.8	20.2	29.4	6.8	FHFA house price index (% change)	-0.2	-2.2	1.3	2.1	2.7	2.8

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ECONOMIC HEALTH CHECK

3-MO MA	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24
Employment, change, ths	1.0	0.0	0.4	0.7	0.1	0.1
Unemployment rate, %	3.4	3.4	3.4	3.5	3.6	3.6
Labor force participation rate, %	50.7	50.5	50.3	50.1	49.9	49.8
Average weekly hours, #	32.7	32.4	32.1	31.8	31.4	31.6
Industrial production, 2012=100	100.8	100.7	100.3	99.9	99.6	99.4
Residential permits, single-family, #	11,861	10,714	9,127	9,732	10,272	10,072
Residential permits, multifamily, #	2,653	4,309	5,242	6,953	6,112	3,724
Dec/Dec	**Dec 18**	**Dec 19**	**Dec 20**	**Dec 21**	**Dec 22**	**Dec 23**
Employment, change, ths	5.5	7.0	-11.4	20.4	12.0	12.3

Stronger than prior 3-mo MA | Unchanged from prior 3-mo MA | Weaker than prior 3-mo MA

Sources: BLS, Census Bureau, Moody's Analytics

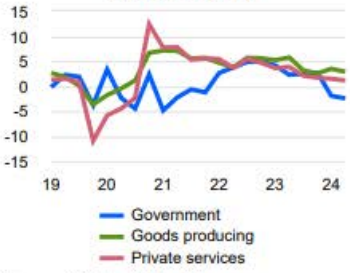
BUSINESS CYCLE INDEX

JAN 2014=100

Source: Moody's Analytics

INDUSTRY EMPLOYMENT

% CHANGE YR AGO



Sources: BLS, Moody's Analytics

CURRENT EMPLOYMENT TRENDS

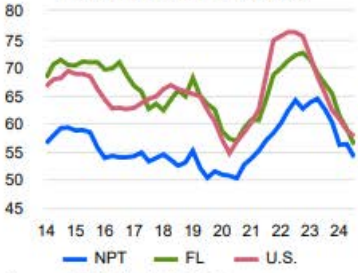
% CHANGE YR AGO, 3-MO MA

	Nov 23	May 24	Nov 24
Total	3.9	2.0	1.3
Mining	8.5	6.0	2.4
Construction	8.7	4.3	5.9
Manufacturing	0.9	0.2	-1.8
Trade	4.2	2.1	0.7
Trans/Utilities	4.9	2.9	0.1
Information	3.4	2.3	-2.3
Financial Activities	0.9	2.3	3.7
Prof & Business Svcs.	2.4	0.6	0.2
Edu & Health Svcs.	5.2	3.7	1.2
Leisure & Hospitality	3.6	-1.0	2.5
Other Services	4.9	3.3	4.3
Government	2.3	3.4	-2.3

Sources: BLS, Moody's Analytics

DIFFUSION INDEX

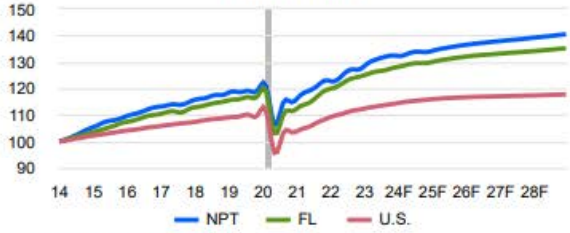
3-DIGIT NAICS LEVEL, 6-MO MA



Sources: BLS, Moody's Analytics

RELATIVE EMPLOYMENT PERFORMANCE

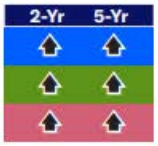
JAN 2014=100



Sources: BLS, Moody's Analytics

RELATIVE EMPLOYMENT FORECAST

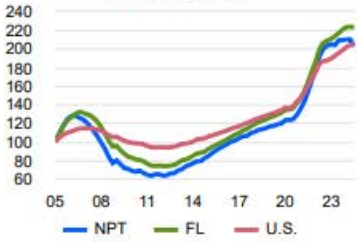
VS. 6 MO PRIOR



Sources: BLS, Moody's Analytics

HOUSE PRICE

2005Q1=100, NSA



Sources: FHFA, Moody's Analytics

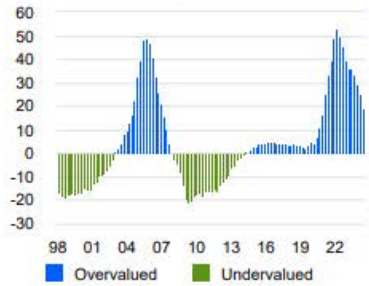
RENTAL AFFORDABILITY

GREATER THAN 100=MORE AFFORDABLE

Sources: Census Bureau, BLS, Moody's Analytics

HOUSE PRICE TRENDS

%



Sources: Moody's Analytics

HOUSING AFFORDABILITY

GREATER THAN 100=MORE AFFORDABLE

Sources: NAR, Moody's Analytics

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TOP EMPLOYERS

Sarasota Memorial Health Care System	9,785
Publix Super Markets Inc.	6,992
PGT Industries	4,251
Manatee Healthcare System	2,489
Bealls Inc.	1,996
Walmart Inc.	1,883
Blake Medical Center	1,471
Bon Secours Venice Hospital	1,428
Pacific Tomato Growers	1,139
Venice Regional Medical Center	1,009
Tropicana Products Inc.	988
Charter One Hotels	950
Sarasota Family YMCA	910
Winn Dixie Stores Inc.	875
IMG Academy	862
SunTrust Bank Inc.	819
Nielsen Media Research	717
State College of Florida Manatee Sarasota	710
Helios Technologies Inc.	688
Sun Hydraulics	680

Sources: City of Bradenton, 2022, City of North Port, 2023

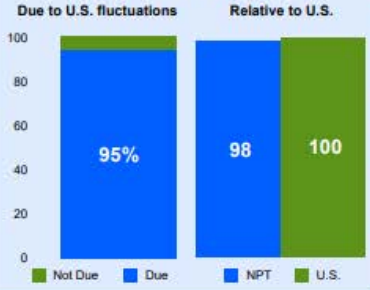
PUBLIC

Federal	2,102
State	3,373
Local	21,401

2023

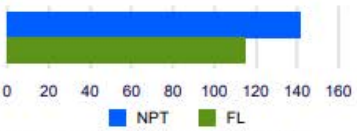
INDUSTRIAL DIVERSITY

EMPLOYMENT VOLATILITY



ENTREPRENEURSHIP

BROAD-BASED START-UP RATE; U.S.=100



Sources: Census Bureau, Moody's Analytics, 2022

EXPORTS

Product - 2019	$ mil
Food and kindred products	ND
Chemicals	ND
Primary metal manufacturing	ND
Fabricated metal products	156.9
Machinery, except electrical	78.7
Computer and electronic products	44.5
Transportation equipment	62.6
Miscellaneous manufacturing	100.6
Other products	220.4
Total	**663.8**

Destination - 2022	$ mil
Africa	11.7
Asia	221.1
European Union	194.0
Canada & Mexico	ND
South America	42.3
Rest of world	ND
Total	**1,001.9**
% of GDP	*2.0*
Rank among all metro areas	*302*

Sources: BEA, International Trade Administration, Moody's Analytics

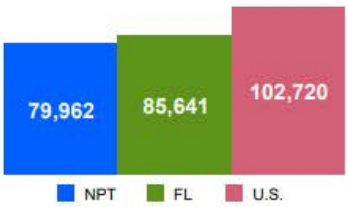
COMPARATIVE EMPLOYMENT AND INCOME

Sector	% OF TOTAL EMPLOYMENT NPT	FL	U.S.	AVERAGE ANNUAL EARNINGS NPT	FL	U.S.
Mining	0.0	0.0	0.4	ND	$35,401	$181,917
Construction	9.2	6.5	5.1	$69,483	$64,853	$77,604
Manufacturing	5.4	4.3	8.3	$78,177	$90,311	$100,233
Durable	*76.6*	*68.6*	*62.6*	*ND*	*$93,347*	*$102,888*
Nondurable	*23.4*	*31.4*	*37.4*	*ND*	*$84,156*	*$95,935*
Transportation/Utilities	2.3	4.4	4.6	$32,659	$51,197	$64,074
Wholesale Trade	3.1	4.0	3.9	$100,579	$102,270	$107,061
Retail Trade	13.9	11.8	10.0	$42,478	$43,824	$43,636
Information	1.2	1.6	1.9	$87,081	$94,948	$147,064
Financial Activities	5.4	7.0	5.9	$30,271	$40,034	$60,198
Prof. and Bus. Services	14.2	16.6	14.6	$68,681	$70,854	$88,706
Educ. and Health Services	17.8	15.1	16.2	$67,838	$65,112	$67,977
Leisure and Hosp. Services	14.5	13.3	10.6	$38,439	$39,346	$37,546
Other Services	4.5	3.8	3.7	$44,663	$38,246	$44,257
Government	8.5	11.5	14.6	$83,498	$88,486	$92,363

Sources: Percent of total employment — BLS, Moody's Analytics, 2023, Average annual earnings — BEA, Moody's Analytics, 2022

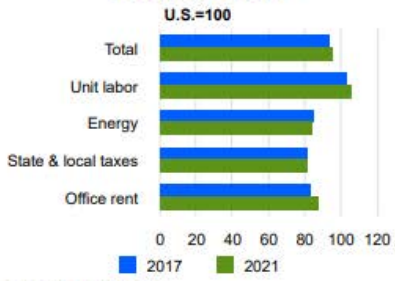
PRODUCTIVITY

REAL OUTPUT PER WORKER, $



Sources: BEA, Moody's Analytics, 2022

BUSINESS COSTS



Source: Moody's Analytics

EMPLOYMENT

HIGH-TECH

	Ths	% of total
NPT	11.9	3.5
U.S.	8,526.6	5.5

HOUSING-RELATED

	Ths	% of total
NPT	54.4	15.9
U.S.	15,428.7	9.9

Source: Moody's Analytics, 2023

LEADING INDUSTRIES BY WAGE TIER

NAICS	Industry	Location Quotient	Employees (ths)
6211	Offices of physicians	1.7	9.9
5511	Management of companies & enterprises	0.7	3.4
5416	Mgmnt., scientific & technical consult. srvcs.	0.9	3.2
5242	Agencies, brokerages & other insur. rel. acts.	1.2	3.2
GVL	Local Government	0.8	24.9
6221	General medical and surgical hospitals	1.3	13.1
2382	Building equipment contractors	1.6	7.7
4411	Automobile dealers	1.5	4.0
7225	Restaurants and other eating places	1.4	31.5
5617	Services to buildings and dwellings	2.2	10.3
4451	Grocery stores	1.7	9.8
5613	Employment services	0.9	7.2

High Mid Low

Source: Moody's Analytics, 2023

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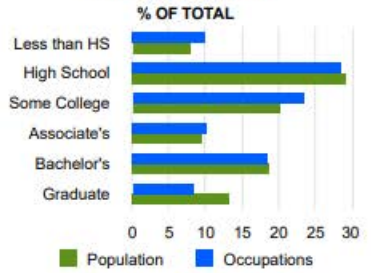
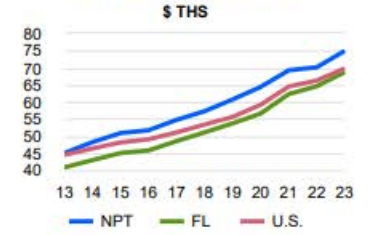
SKILLS MISMATCH



Sources: Census Bureau, ACS, Moody's Analytics, 2018

PER CAPITA INCOME



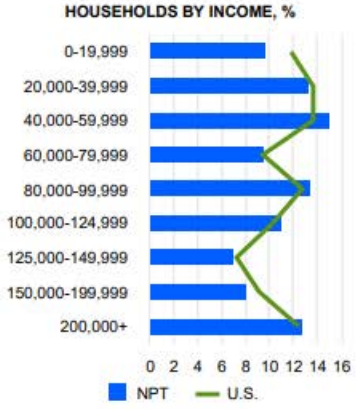
Sources: BEA, Moody's Analytics

ECONOMIC DISENFRANCHISEMENT

Index	2021	Rank*
Gini coefficient	0.48	101
Palma ratio	3.1	222
Poverty rate	8.7%	371

**Most unequal=1, Most equal=403*

HOUSEHOLDS BY INCOME, %



Sources: Census Bureau, ACS, Moody's Analytics, 2023

MIGRATION FLOWS

INTO NORTH PORT FL

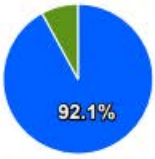
	Number of Migrants
Tampa FL	5,705
New York NY	3,038
Punta Gorda FL	2,383
Chicago IL	1,868
Orlando FL	1,257
Nassau County NY	1,041
Cape Coral FL	960
Washington DC	806
Atlanta GA	773
Miami FL	758
Total in-migration	*59,498*

FROM NORTH PORT FL

Tampa FL	5,100
Punta Gorda FL	2,963
Orlando FL	1,066
Cape Coral FL	689
Lakeland FL	589
Jacksonville FL	558
New York NY	431
Atlanta GA	426
Fort Lauderdale FL	396
West Palm Beach FL	382
Total out-migration	*36,797*
Net migration	**22,701**

COMMUTER FLOWS

RESIDENTS WHO WORK IN NPT

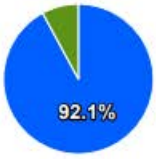


Top Outside Sources of Jobs

North Port FL	Share
Tampa FL	3.3
Punta Gorda FL	1.9
Cape Coral FL	0.5
Orlando FL	0.2
Miami FL	0.1

COMMUTER FLOWS

WORKERS WHO LIVE IN NPT

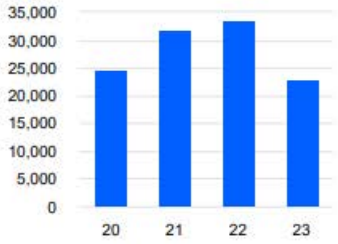


Top Outside Sources of Workers

North Port FL	Share
Tampa FL	3.6
Punta Gorda FL	2.7
Cape Coral FL	0.3
Lakeland FL	0.1
Orlando FL	0.1

Sources: Census Bureau, Moody's Analytics, avg 2016-2020

NET MIGRATION, #, NPT

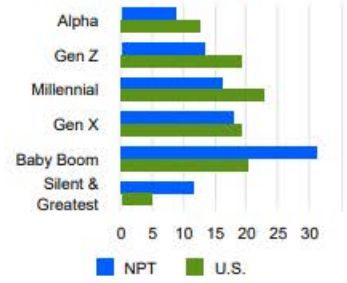


	2020	2021	2022	2023
Domestic	23,752	31,014	31,789	19,826
Foreign	1,100	735	1,795	2,951
Total	24,852	31,749	33,584	22,777

Sources: IRS (top), 2022, Census Bureau, Moody's Analytics

GENERATIONAL BREAKDOWN

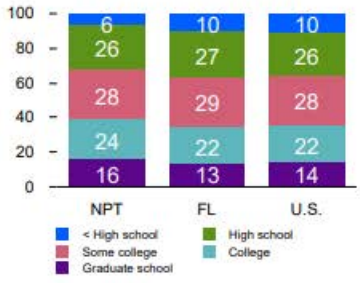
POPULATION BY GENERATION, %



Sources: Census Bureau, Moody's Analytics, 2023

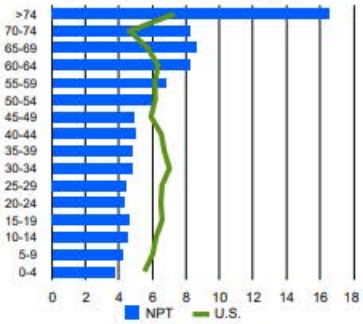
EDUCATIONAL ATTAINMENT

% OF ADULTS 25 AND OLDER



Sources: Census Bureau, ACS, Moody's Analytics, 2023

POPULATION BY AGE, %



Sources: Census Bureau, Moody's Analytics, 2023

SENIOR HEALTHCARE AND COVID-19

The COVID-19 pandemic has placed unprecedented pressure on global healthcare systems and in many circumstances has forced organizations and governments to acknowledge specific weaknesses. As we move farther into 2025, signs of the strength of the seniors market have taken root and recovery in the sector continues to strengthen and the industry is set for a strong year in 2025. In most markets and in most properties, recovery has strengthened more operators are looking for a robust future.

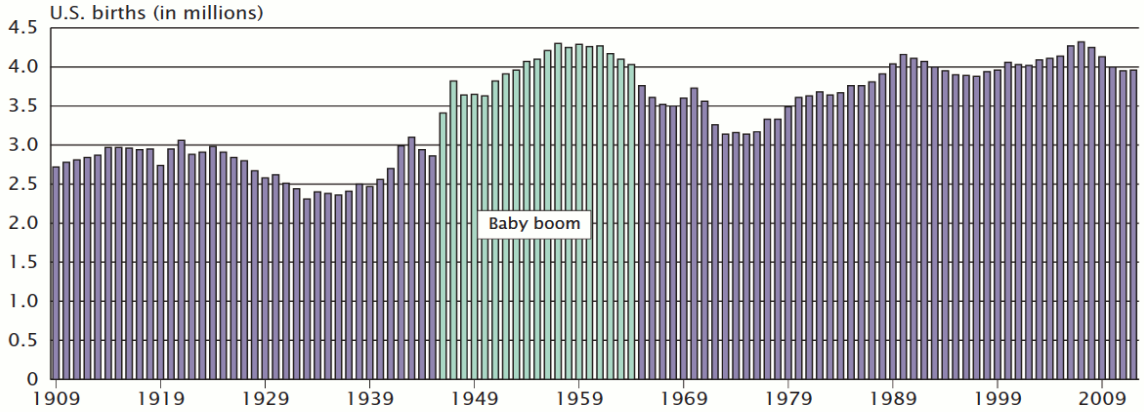
Overview

Overall, the operational market for senior living communities continues to improve. The occupancy rate continues to recover and increased 0.7 percentage points to reach 87.2% as of the fourth quarter of 2024. All the while, the number of occupied senior living units continues to increase to record highs; however, this fact has been true for several quarters.

Increase in operational performance of senior communities continues to be strengthened by a relatively small growth in inventory of only 1.2% which was the smallest Year over year increase since 2011, and many construction projects were stopped or put on hold during the pandemic years of 2020 to 2022. The average asking rate increased by 4.2% as compared to the previous year.

The pricing for senior communities continues to increase from their lower levels on the rolling four quarters of 2024. Overall, pricing for senior living communities has decreased however this is mostly due to smaller and older communities being transacted while the Class A and institutional buyers and sellers are waiting patiently as the market uncertainties play out.

Many operators, investors, lenders, and senior living insiders note the following trend on the chart below. The oldest members of the Baby Boomer generation which started in 1946, highlighted in light green, will turn age 80 in 2026. Most of the current residents within senior living were born in the 1930s, which is a period of low births.

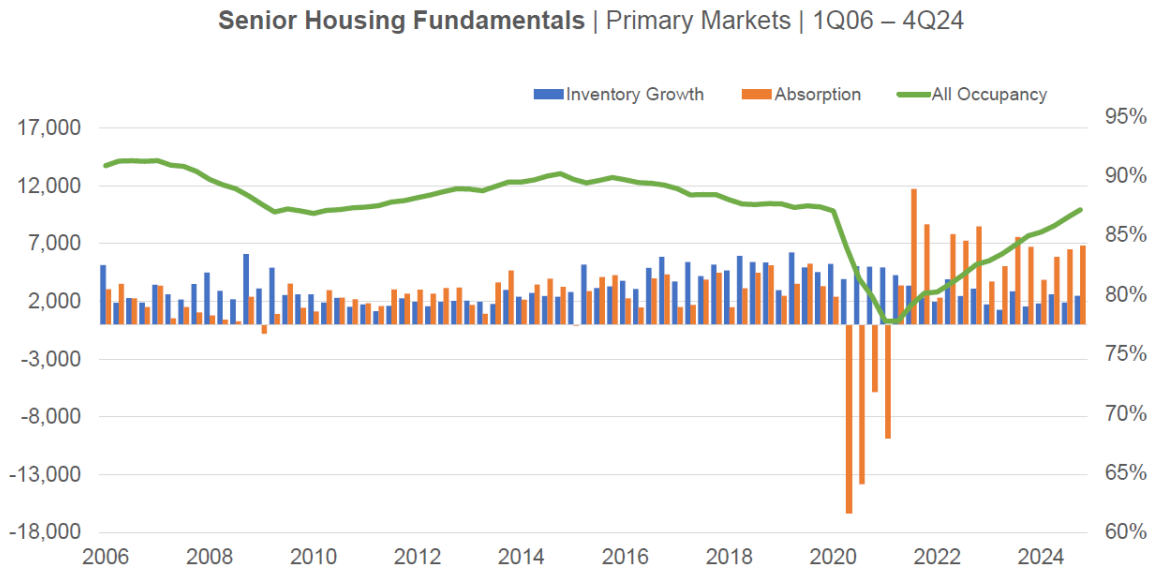


Occupancy Rates

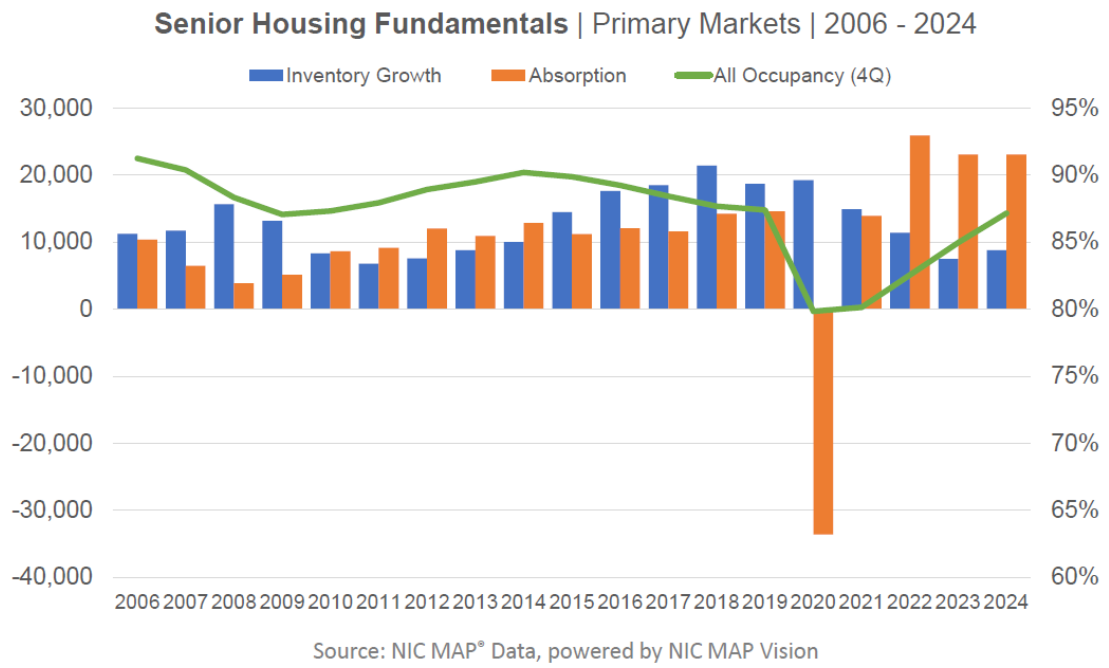
Since the first quarter of 2020, the occupancy rate for seniors housing declined as the COVID 19 pandemic extended month after month. Signs of a trough were indicated as occupancy levels have picked back up from their lows from earlier in 2021. In the fourth quarter of 2024, the occupancy rate for senior housing increased 0.7 percentage points to 87.2% for the 31 primary markets tracked by NIC (National Investment Center), which is the premier data provider within the industry. This marked the 14th consecutive quarter of occupancy gains. The current occupancy rate is 9.4 percentage points above the pandemic through of 77.8% in mid-2021 and 0.1 percentage points above the pre pandemic level of 87.1% in the first quarter of 2020.

The occupancy rate for independent living stands at 88.6% as of the end of 2024, while the rate for assisted living slightly lower at 85.7%. For independent and assisted living, the occupancy rates have increased by over 2.0 percentage points for each level during 2024.

We note that the occupancy rates for assisted living have increased greater than for independent living, which generally reflects the fact the that assisted living is considered more needs based while independent living is considered more of a choice-based decision.

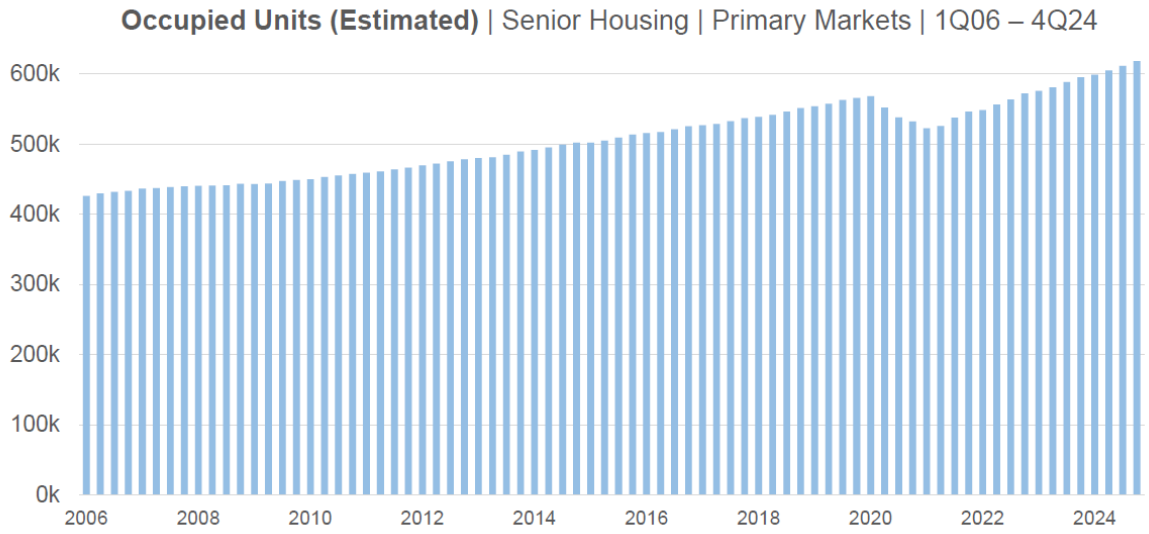


We note that the negative absorption in 2020 and 2021 turn positive at the beginning of 2022 remained very positive over the last three years. Inventory growth has decreased which has aided the turnaround in occupancy along with residents being comfortable returning to senior living communities after the pandemic.

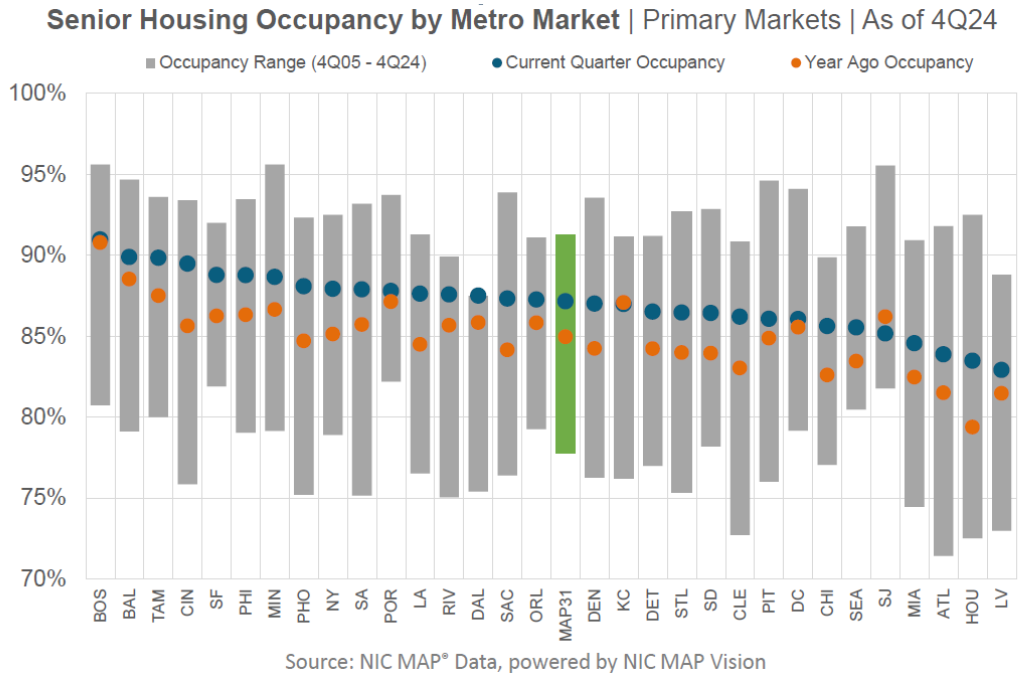


We note that the number of occupied units has increased but the overall occupancy percentage has decreased as new supply has come on to the market during the past three years. Nonetheless, this trend of higher occupied senior living units implies that the product type is considered an accepted and needed product line within the real estate market. This is especially true as the baby boomer generation move into senior communities at a higher level over the next few years. It should be noted that in 2025 the oldest baby boomers will turn age 79, which is typically just below the age where many seniors enter into a senior living community. In other words, most of the current residents within senior living communities were born from 1925 to 1945, which is considered a period of demographic weakness within the United States history due to the Great Depression and World War II.

Note that the number of occupied units is now above the start of the pandemic. The number of occupied senior housing units set another record high in the fourth quarter of 2024, rising to more than 618,000 units for the primary markets. Compared to 2020, this is 49,400 more units than were occupied at that point in time.



The growth in the inventory has slowed significantly during the pandemic, which combined with more residents required senior living, has led to an increase in occupancies. In addition, the increased costs of construction materials, decreased occupancy levels in existing facilities, and increased tightening in lending standards has dampened construction starts. Based on these particulars, many senior living operators very bullish on the future.



The chart displays the occupancy rates for each of the 31 primary markets with the gray bars providing the historical occupancy range in each market from the fourth quarter of 2005 to the current date. The highest occupancy rates are in Boston and Baltimore which held relatively steady in 2024, but it should be noted that Cincinnati and Tampa made significant gains throughout the year. Four of the lagging markets made gains as well during the year including Las Vegas, Houston, Miami, and Atlanta. The spread between the highest and lowest occupied markets narrowed to only 8.1 percentage points which is down from a couple of years ago in which there was a double digit spread.

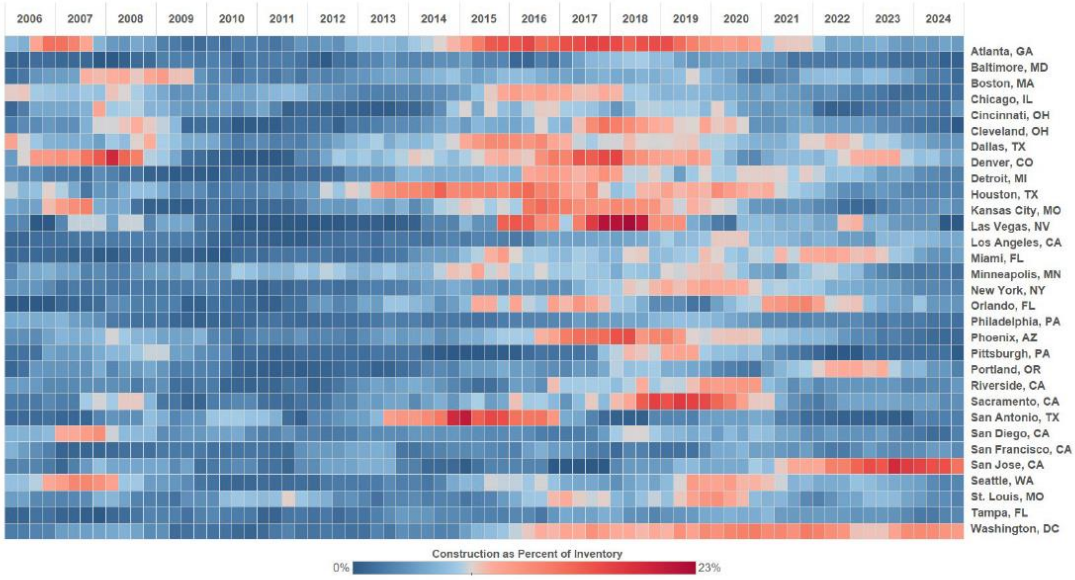
New Construction

As expected, new construction has declined from the peak levels in 2017 and 2018. The market for new construction reach its low in 2023, but had some increases in units in 2024. As the market continues to improve on a fundamental basis, it is expected that new construction projects will increase substantially in the next three to five years. While there are headwinds such as higher construction costs, difficulty obtaining construction labor and labor at the actual senior community, along with increasing regulations, most operators remain optimistic as the baby boomers will hit age 80 which will occur in 2026.

As indicated in the following chart, the bluer tones indicate a lower level of construction activity while red tones indicate areas of higher construction activity. There are an increasing number of markets with no projects under construction, which include Atlanta, Las Vegas, and Cleveland and a few others with very little construction. The markets shaded in red had the most construction as a percentage of the existing inventory as of the fourth quarter of 2024. San Jose is the leader

within this market totaling more than 100 new units in 2024, however; there are an additional 1,000 units currently under construction.

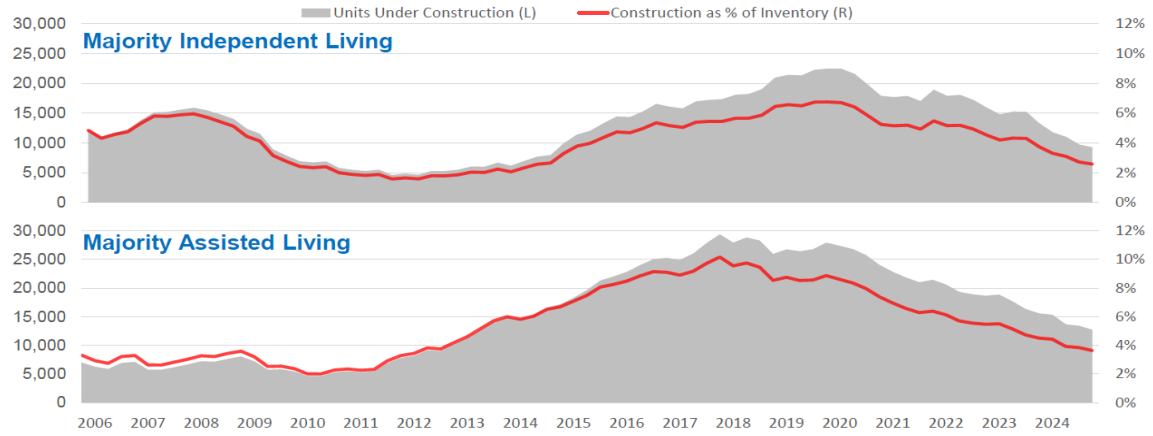
Senior Housing Construction as Percent of Inventory | Primary Markets | 1Q06 – 4Q24



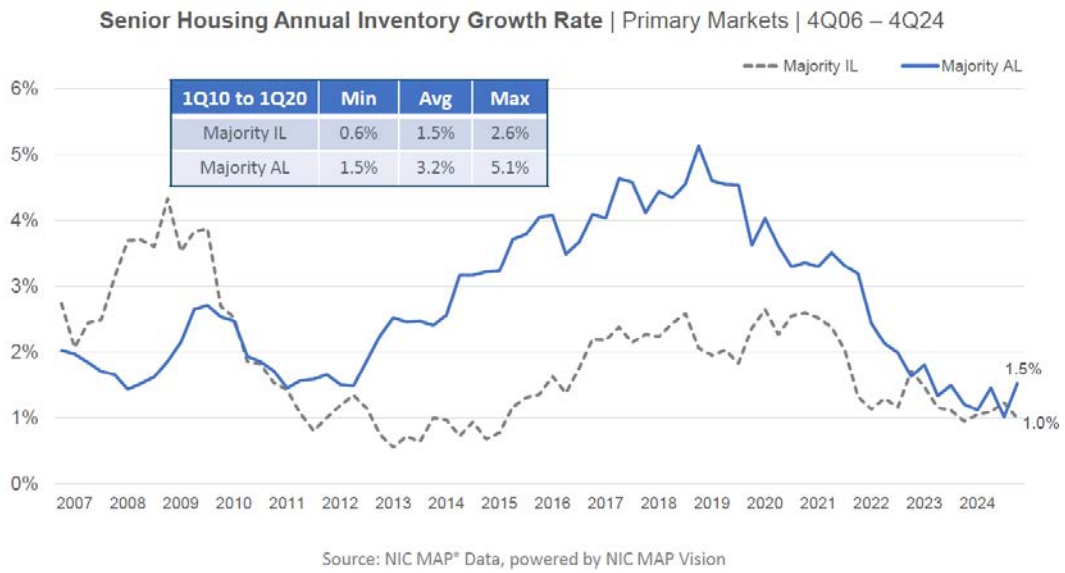
Source: NIC MAP® Data, powered by NIC MAP Vision

Construction activity as a percentage of inventory is at its lowest point since 2011. Overall, it is expected that construction starts will remain low as occupancy rates rebound to pre-pandemic levels, the supply chain issues with construction materials are resolved, and the expense structure for these senior living operators stabilizes from the issues related to staffing and the increased costs associated with operating a senior living community. It is expected that while construction starts will remain muted in most markets, construction will continue in select markets.

Units Under Construction and Construction as Percent of Inventory | Primary Markets | 4Q05 – 4Q24



Source: NIC MAP® Data, powered by NIC MAP Vision



As noted in the chart above, are there declining share of construction activity currently underway that has broken ground within the last 12 months. For senior living communities, it takes an average of 2.4 years for new projects to go from breaking ground to opening for residents. Part of this is due to the larger size that newer communities have become over the past ten years, as the newer communities often have as many as 150 beds or more.

Adult Children and Home Health

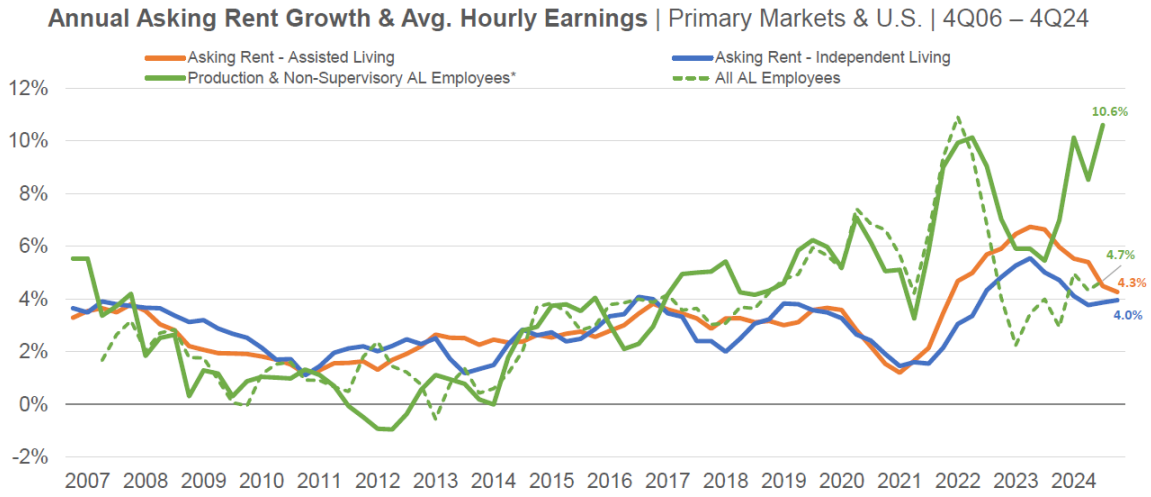
Adult children, many of which are currently juggling the stresses of a combined work and homelife, have taken the responsibility to provide care for older family members. While this situation is adequate for low acuity seniors, the situation will become more difficult as the acuity levels increase within the older population. For the adult children of seniors, the work from home option is starting to subside in some places and decisions will likely need to be made over the next few months of how to care for an aging senior.

The home health industry, which has steadily increased in prominence, often time at the expense of traditional seniors housing services, is dealing with their own distinct set of challenges as the model, with its wide-ranging exposure to the community, is hindered by its inherent risk. The seniors housing industry, driven by its role in caring for one of the nation's largest segments of the population, is positioned to endure and evolve with the times.

Operations

Even before the pandemic, staffing issues were prevalent in the industry. This was an even bigger issue during the pandemic as many senior living communities relied upon agency staffing to fill the gaps when needed. We have found this to be a facility-by-facility issue and a market-by-market issue. In areas of low unemployment, the staffing issues and shortages are greater. Going

forward, most operators see staffing as their biggest challenge. As of 2025, most communities report that agency personnel has been greatly reduced or eliminated.



Source: NIC MAP® Data, powered by NIC MAP Vision, U.S. Bureau of Labor Statistics

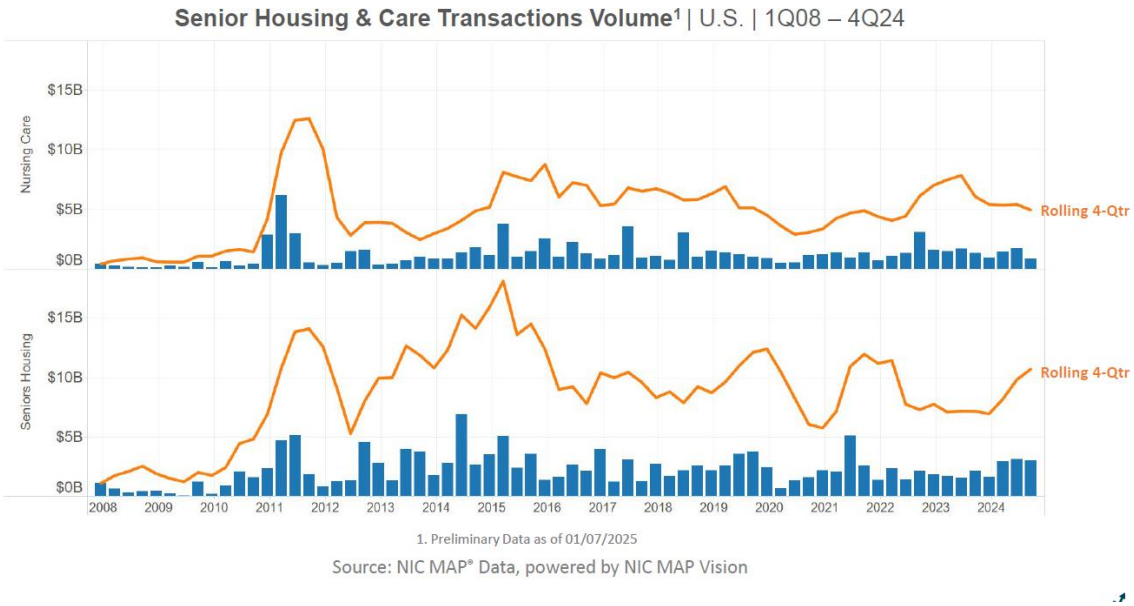
Asking rental rates increased 4.3% for assisted living and 4.0% for independent living in the fourth quarter. We note these growth rates are down from the recent high levels reported in the middle of 2023: however, we note that this is still higher than in previous years. In comparison fourth quarter 2024 wage data from the Bureau of Labor statistics indicate that the average hourly earnings for assisted living employees increased by 10.6% from one year earlier. This illustrates the point that variable rate labor expenses remain elevated and somewhat volatile. The total wage expense for all assisted living employees which includes supervisors and non supervisors grew 4.7% year over year in the fourth quarter, which with an increased generally matches the rental rate increases.

Transactions

There is a significant amount of equity capital on the sidelines ready to invest but the bid ask spreads are still rather wide which limits transactions. The senior living sector is considered one of the most appealing investment sectors in the entire market as the baby boomer population starts to enter the age where senior living will be not just a choice but a need for many of that age cohort.

The banking sector challenges have been a driver of the current restrictive lending environment which continues to slow the transaction market for larger portfolios. The hope is that additional rate cuts will make it easier to refinance properties, particularly those that were financed during

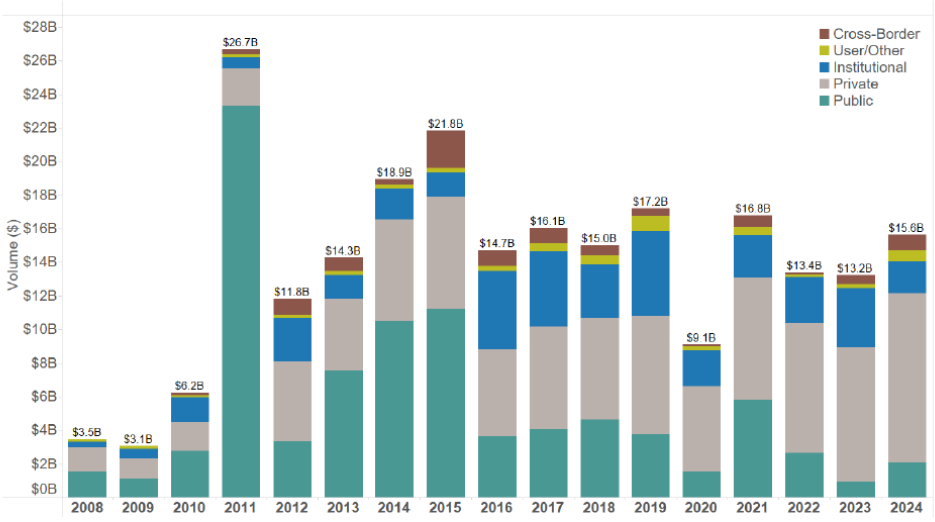
the floating rate years of 2020 and 2021. Currently, the market is cautiously optimistic for an improving interest rate environment.



Reported seniors housing and care closed transaction dollar amount decreased in the fourth quarter of 2024. This was driven by the decrease in nursing care volume which was 51% from the prior quarter. Reported dollar volume for the fourth quarter of 2024 was $3.9 billion which was down 21% from the third quarter of 2024, however; total closed volume was up 12.5%, as compared to the fourth quarter of 2023. Comparing the full year 2023 and 2024, we see that volume increased 18.2% to a total of $15.6 billion.

The increase in volume during 2024 is due in part as the sector continues to strengthen, as investors and operators look at the upcoming demographics that are expected to impact the seniors market. The urban land institute read the seniors market as the second most promising sector for risk adjusted returns commonly behind data centers.

Closed Transactions Senior Housing & Care Volume by Buyer Type[1] | U.S. | 1Q08 – 4Q24



1. Preliminary Data as of 01/07/2024

Source: NIC MAP® Data, powered by NIC MAP Vision

The previous slide depicts transaction volume by buyer type. The public type of buyer is a publicly traded company. The private type of buyer any large institution that is not publicly traded. For example, a private REIT, family office, or a partnership. Institutional type of buyer is the equity funds buyer that manages pension fund money or other types of institutional money. The cross-border buyer represents any buyer from outside the United States.

The private buyers have been more active than the other types of buyers. They have consistently closed over $5.0 billion of transactions each year since 2014. Private buyers registered $10.1 billion in transaction volume in 2024, which represents 65% of the dollar volume. This compares with 60% of the volume in 2023 and 58% of the volume in 2022. From 2020 through 2024, this buyer type averaged 56% of the reported dollar volume.

The public buyer picked up in 2024 however this is from a small base. In 2023, public buyers represented only 7% of the closed dollar volume. This figure picked up to 13% in 2024 increasing from just over $950 million to over $2.0 billion dollars. Cross-border transactions picked up noticeably in 2024 as well, increasing from $551 million to $924 million. The institutional buyer type only represented 12.2% of the transactions in 2024 however, we expect this buyer type to increase in 2025 and beyond.

In terms of properties transacted, 334 communities transacted in the fourth quarter of 2024 of which 227 were senior housing properties and the remaining 107 were nursing care properties.

There continues to be a bifurcation in the trend between senior housing and skilled nursing pricing. Well senior housing price per bed has increased during 2024, The skilled nursing pricing has

decreased. The increase in senior housing pricing ended 2024 at $136,000 per unit, which is an increase of 13.1% from the prior quarter and an increase of 22.6% from one year ago. On the other hand, nursing care ended 2024 at $78,000 per bed, which is roughly flat from the prior quarter and down 13.7% from 2023.

Summary

The Seniors Housing industry has held up as well as could be expected during the COVID 19 pandemic. Some operators and industry insiders believe that there is a large amount of pent-up demand and the industry will continue to rebound in 2025. But, as new facilities came on line during the pandemic, occupancy levels are still lower than before the pandemic in percentage terms. That said, the oldest other baby boomers turn age 80 in the year 2026, which tends to be a time when seniors will consider moving into a community. Most of the residents within senior communities were born between 1925 and 1945, which was a period of low birthrates.

Raising staffing costs and staffing shortages, which were present before the pandemic, accelerated in 2021 to 2024, but have since started to moderate. Many facilities have increased rental rates over the past year. Meanwhile, construction starts have dropped significantly which will aid occupancy levels in future years, especially when combined with increasing development costs due to raw materials and development costs. Overall, the industry has survived the greatest level of stress placed upon it since its inception. The path forward will be filled with opportunities and challenges. The strength and skill of the operator is more important than at any point in the industries relatively young existence. Giving the aging demographics within the United States, the industry is in a prime position to see explosive growth over the next two decades and market participants of all types, including bankers, investors, operators, and the end user themselves, which are the residents are optimistic about the industry's future.

SUPPLY/DEMAND ANALYSIS

In our analysis, supply and demand conditions for the property will be analyzed. The steps that we used in conducting this analysis are as follows:

- Identify the target resident for the property;
- Identify and delineate the primary market area (PMA) for the property;
- Discuss market conditions and influences in the PMA;
- Identify existing and proposed competition in the PMA;
- Analyze the demographic trends relating to the property type in the PMA; and
- Analyze current and future demand in the PMA.

Primary and Competitive Market Area

One of the most important aspects of the analysis is to determine from what area most of the residents reside prior to relocating to the subject or other local competitors.

- Many residents may relocate from another state to be near their adult children
- Operators of senior housing assets typically refer to this as their primary market area: the subject's city limits, county, a distance radius from the subject, or zip codes.

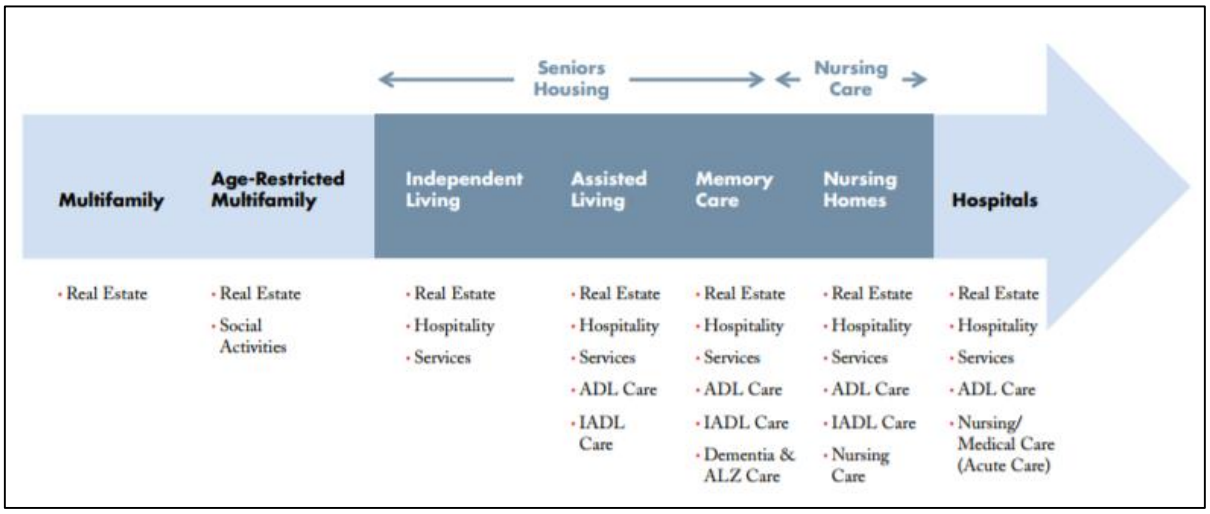
To delineate the subject's PMA, our analysis evaluated industry trends, an interview with the subject's management, as well as representatives at some of the competitive properties we used in our analysis. A study by the Assisted Living Federation of America indicated the following statistics regarding relocation trends for senior housing properties.

Relocation Trends						
Distance	**AL/IL**	**AL**	**AL/MC**	**AL/SNF**	**CCRC**	**Total**
0 to 5 miles	43.5%	40.0%	26.7%	45.8%	52.2%	39.0%
5 to 10 miles	20.0%	20.4%	34.7%	16.7%	16.4%	23.0%
11 to 25 miles	15.3%	20.0%	16.7%	8.3%	13.4%	17.0%
26 to 50 miles	5.9%	7.3%	6.0%	8.3%	6.0%	6.7%
50+ miles	15.3%	12.4%	16.0%	20.8%	11.9%	14.2%

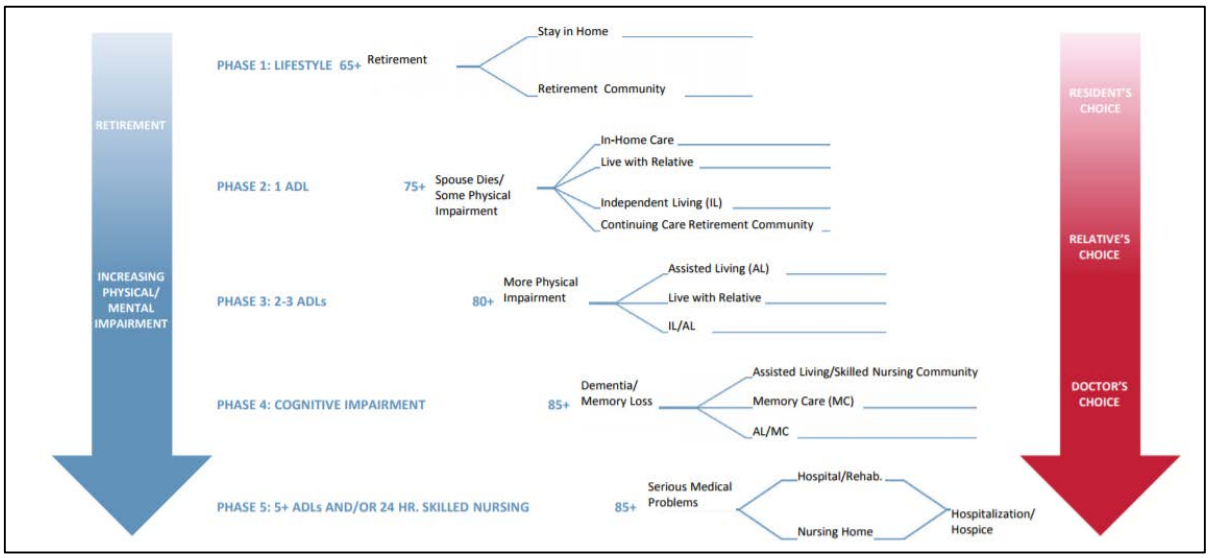
Source: ASHA *Overview of Assisted Living*

While the data is dated, this source is the most recent publication that studied the distances from which seniors experienced is the most recent quantitative measure upon which we can rely.

For reference, the graphic below is extracted from the Seniors Housing primer and illustrates the Spectrum of Seniors Housing options:



The same publication then relates the Spectrum of Seniors Housing options to the aging process in the following graphic:



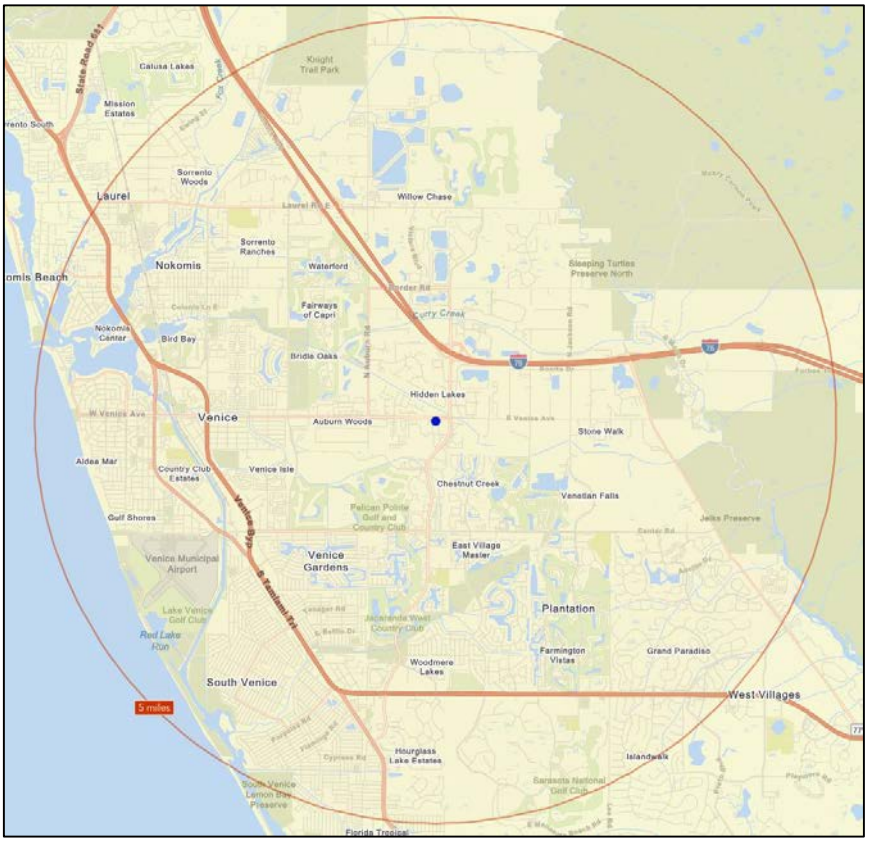
- Within a five- mile radius, 43.5% of residents relocated from their homes to independent and/or assisted living residences and 52.2% moved into the CCRC component

- Within a 10-mile radius, 20% of residents moved into an AL / IL community and 16.4% into CCRC communities.

The amenities near the subject site are additionally considered by investors and operators. The following are examples:

- Proximity to a hospital is an important factor (less so for independent living versus assisted living / memory care and skilled nursing)
- Proximity to geriatric specialties such as cancer and diabetes treatment centers are also given consideration
- Proximity to social amenities such as grocery stores, retail, and restaurants are more important to less acute seniors than those with higher acuity and less mobility.
- Proximity of other communities existing within the subject site. Prospective residents will typically consider a range of five to ten communities when seeking new senior housing arrangements (PMA should typically include a similar supply of competitors).

Based on the data presented, as well as from our analysis of competitive supply, the Primary Market Area (PMA) for the subject property is a radius of approximately 5-miles surrounding the property which is displayed on the following map.



PRIMARY MARKET AREA MAP

DEMAND ESTIMATE

The following analysis of current demand for similar senior housing uses that are situated within the subject's market area will include the following:

- Demographic trends for the local area (delineated from the demographic data presented earlier)
- Statistical data relating to the prevalence of the population requiring assistance with instrumental activities of daily living (IADLs) and activities of daily living (ADLs)
- Projected demand for the subject within its market area.

Age Qualification

ESRI Incorporated compiled the demographic data used in our analysis, which include figures for the most recent census year in 2025 and estimates/projections for the year 2030.

In the following table, we have summarized the senior population for the subject's primary market area which considers 65+ age group for seniors housing while the 45-64 age group represents the adult children.

PMA Population by Age

Age Group	2010	2025	2030	% Change 2010 - 2025	% Change 2025 - 2030
Total Pop.	71,324	95,294	100,892		
45-54	8,283	7,497	7,472	-9.49%	-0.33%
55-64	12,510	14,716	13,990	17.63%	-4.93%
65-74	15,393	24,619	24,855	59.94%	0.96%
75-84	11,400	20,655	23,620	81.18%	14.35%
85+	4,920	6,795	9,098	38.11%	33.89%
65+	31,713	52,069	57,573	64.19%	10.57%
75+	16,320	27,450	32,718	68.20%	19.19%
85+	4,920	6,795	9,098	38.11%	33.89%

Acuity Qualification

Memory Care: As a subset of assisted living, we also have considered the demand for memory care, dementia, or Alzheimer's care within the primary market area. The Alzheimer's Association, a national authority on the state of dementia and related diseases within the U.S., has published the *2020 Alzheimer's Disease Facts and Figures* study that reports the prevalence rate of Alzheimer's disease by age within the United States. This study reports the following:

- There is a total of 5.8 million Americans currently living with Alzheimer's
- The age for Americans living with Alzheimer's and other dementias is approximately 17% are age 65-74; 47% are age 75-84, and the remaining 36% are 85 and over.

We have related these figures to the total U.S. population within the same age groups to estimate the percentage of seniors within each age group living with Alzheimer's. This calculation is as follows:

Prevalence Rate of Alzheimer's / Dementia by Age						
Ages 65-74	17% x	5.8M	=	986,000 ÷	40,298,479 =	2.45%
Ages 75-84	47% x	5.8M	=	2,726,000 ÷	26,075,989 =	10.45%
Ages 85+	36% x	5.8M	=	2,088,000 ÷	6,733,102 =	31.01%

*Source: *2020 Alzheimer's Disease Facts and Figures* - Alzheimer's Association

Applying Alzheimer's prevalence rates to the PMA population results in the following age and acuity-qualified population for those in need of memory care services:

Age & Acuity-Qualified Pop. - Memory Care				
Year 2025				
	Population		% Demand	Qualified Demand
65-74	24,619	x	2.45% =	602
75-84	20,655	x	10.45% =	2,159
85+	6,795	x	31.01% =	2,107
	Qualified Population - Year 2025			4,869
Year 2030				
	Population		% Demand	Qualified Demand
65-74	24,855	x	2.45% =	608
75-84	23,620	x	10.45% =	2,469
85+	9,098	x	31.01% =	2,821
	Qualified Population - Year 2030			5,899

Income Qualification

For memory care the next consideration for the demand calculation is the ability of those seniors to afford such services within the primary market area. In examining rental comparable providing similar services within the PMA, we have determined the minimum monthly rental amount by care type. In addition, we have determined an overall annual income needed for residency within each care type, considering the following factors:

- Monthly fee as a percentage of income, income taxes, and additional income from home equity and other sources.

These assumptions include:

- A monthly fee as percentage of income of 90% for memory care, based on the assumption that as acuity and assistance increases, residents are less likely to have expenses outside of the community.
- Personal tax rates are assumed to be 15%.
- Home equity interest income is estimated at 4% of the median housing value within the PMA multiplied by a 90% average home equity ratio.
- Income from other sources such as the sale of assets that form the balance of the senior's net worth (stocks, bonds, etc.) is also assumed at 5% of the pre-tax income.

Based on the market rent comparables, we estimate that minimum fees in the market are roughly $4,000 per month for memory care. The minimum rate calculations by care type are presented as follows:

Annual Income Needed			MC
Minimum Monthly Fee			$4,000
Monthly Fee as Percentage of Income		÷	90%
After Tax Income Needed (Annual)			$53,333
Tax Rate		÷	85%
Pre-tax Income Needed (Annual)			$62,745
Less Additional Income from Home Equity		-	$13,231
Less Additional Income from Other Sources	@ 5%	-	$3,137
Adjusted Annual Income Needed			$46,377

The next step is to determine the quantity of seniors within the primary market area which can afford the care needed. Using ESRI data of income levels by age, we have determined the population by income bracket and their proportions of the total population for the current year as well as five years forward. This data is as follows:

PMA Households by HH Income by Age of Householder												
	Ages 65 -74				Ages 75-84				Age 85+			
Income Levels	2025		2030		2025		2030		2025		2030	
Under $15,000	715	5.03%	572	4.01%	749	5.80%	718	4.88%	246	5.80%	277	4.88%
$15,000 - $25,000	708	4.98%	456	3.20%	1,110	8.59%	870	5.91%	365	8.59%	335	5.91%
$25,000 - $35,000	708	4.98%	503	3.53%	994	7.69%	856	5.82%	327	7.69%	330	5.82%
$35,000 - $50,000	1,019	7.16%	746	5.23%	1,271	9.84%	1,159	7.87%	418	9.84%	446	7.87%
$50,000 - $75,000	2,877	20.23%	2,596	18.20%	3,133	24.26%	3,350	22.75%	1,031	24.26%	1,290	22.75%
$75,000 - $100,000	2,698	18.97%	2,682	18.80%	2,055	15.91%	2,470	16.78%	676	15.91%	952	16.78%
$100,000 - $125,000	2,808	19.74%	3,218	22.56%	1,920	14.86%	2,694	18.29%	631	14.86%	1,037	18.29%
$150,000 - $200,000	928	6.53%	1,281	8.98%	543	4.20%	916	6.22%	178	4.20%	353	6.22%
Over $200,000	1,761	12.38%	2,212	15.51%	1,144	8.85%	1,690	11.48%	376	8.85%	651	11.48%
Total	14,222	100.00%	14,266	100.00%	12,917	100.00%	14,723	100.00%	4,250	100.00%	5,671	100.00%

As the data is grouped into broad ranges of incomes rather than $1,000 increments, we have assumed an even distribution throughout each bracket. Therefore, if required incomes fall at a point within the range, the data is interpolated based on where that value falls within the income bracket.

Applying the previously determined income requirements for assisted living and memory care results in an income-qualified demand ratio as presented in the following tables. Multiplying the income-qualified demand ratio to the previously-determined age and acuity-qualified demand results in a gross demand figure for each care type, presented as follows.

Income Qualification Ratio - Memory Care								
			2025	2026	2027	2028	2029	2030
65+ Households with Income above	$46,000		23,481	24,389	25,296	26,204	27,111	28,019
Number of Total Senior Households		÷	31,389	32,043	32,697	33,352	34,006	34,660
Income-qualified Demand Ratio			74.81%	76.11%	77.36%	78.57%	79.73%	80.84%
Age & Acuity-qualified Demand		x	4,869	5,075	5,281	5,487	5,693	5,899
Age, Acuity, & Income-qualified Demand			3,642	3,863	4,085	4,311	4,539	4,769

Migration

As the current population is not the only driver of senior living demand, we have also considered the population of adult children within the PMA, as seniors often migrate closer to children when it comes time to enter a nursing home, due to their deteriorate health conditions. This fact is widely recognized by senior housing operators who indicate that market areas exhibiting a higher concentration of adults between the age of 45 and 65 can generally support a much larger supply of senior housing than would be shown through analyzing only the percentage of seniors currently residing in the market area.

Per the *Overview of Assisted Living*, approximately 38.7% of residents in combined assisted living / skilled nursing facilities (SNFs were not studied alone, nor combined IL/SNFs) migrate from a distance of 11 miles or more, which we consider to be primarily due to being closer to adult children. The national average ratio of adult children age 45-64 to seniors age 75+ is 1.13, while within the PMA it is 0.43. Applying the difference in rates means that the subject will have 38.7% of its seniors migrating towards adult children, which results in -24.1% higher than the national average. As such, we have adjusted the gross demand by -24.1%.

After adjusting for migration, the resulting gross demand is shown as follows:

Gross Memory Care Demand						
	2025	2026	2027	2028	2029	2030
Gross Demand	3,642	3,863	4,085	4,311	4,539	4,769
Outmigration	-24.1%	-24.1%	-24.1%	-24.1%	-24.1%	-24.1%
Gross MC Demand (Beds)	2,764	2,931	3,100	3,271	3,444	3,618

SUPPLY ESTIMATE

The next step in our analysis is to estimate the portion of gross demand already satisfied by the market through existing competitive supply. Accounting for these direct supply sources will allow us to estimate the net demand for new beds/units in the market.

Current and Future Supply

The following chart details the current and future supply of independent living, assisted living, and memory care beds within the subject's defined PMA.

SUPPLY SUMMARY (EFFECTIVE CAPACITY)
Liana of Venice

	Year: 2025			Year: 2030		
Facility	**IL**	**AL**	**MC**	**IL**	**AL**	**MC**
Existing Facilities						
Venice Green Village	-	-	27	-	-	27
Venice Palms Senior Living	42	25	26	42	25	26
Elison Assisted Living of Bella Vita	-	112	-	-	112	-
Venetian Gardens - Sky Active Living	119	-	-	119	-	-
Aston Gardens At Pelican Pointe	298	31	12	298	31	12
AdviniaCare Venice	-	83	22	-	83	22
The Windsor of Venice	-	70	14	-	70	14
Maris Pointe	-	-	42	-	-	42
The Goldton at Venice	114	38	15	114	38	15
Jacaranda Trace	254	19	19	254	19	19
Tuscan Gardens of Venetia Bay	22	75	40	22	75	40
Venice Center	-	76	-	-	76	-
Banyan Residence	-	36	-	-	36	-
Heartis Venice	78	85	19	78	85	19
Towers of Venice / Gardens of Venice	90	91	-	90	91	-
Proposed Facilities						
None	-	-	-	-	-	-
Subject Facility						
Liana of Venice	-	-	54	-	-	54
Totals	**1,017**	**741**	**290**	**1,017**	**741**	**290**

Note: Supply is expressed in beds.

NIC Maps; Data excludes buy-in CCRCs and hospital-based SNF beds.

As shown within the above chart, the PMA has fifteen facilities. In our analysis of the subject's market, we spoke with local planning officials, market participants, as well as reviewed local news publications; as a result of our research, we are not aware of any proposed or under construction senior living facilities within the subject's primary market area.

Informal Caregivers

Additionally, informal caregivers such as family members anecdotally represent a large proportion of care provided to seniors who are otherwise qualified for seniors housing residency. Research completed by the AARP as part of their recent publication "Valuing the Invaluable") states that in the U.S. there were 40 million family caregivers providing care at any given point in time and providing on average 18 hours of care per week. In Florida alone, there were roughly 2.66 billion hours (1,278,846 FTEs) of informal care provided, with the entire U.S. figure being roughly 19.4 million FTEs.

Since data from the Bureau of Labor Statistics estimates the entire U.S. population of healthcare practitioners, healthcare technical occupations, and healthcare support occupations far lower at roughly 12.0 million, and research data on this topic is sparse, we believe that the literature to date currently provides no reliable method to quantify the proportion of seniors housing demand accounted for by informal caregivers.

However, since this is the final material adjustment needed to our estimated demand figures, it is possible to determine the proportion of demand satisfied by informal caregivers by use of a sensitivity test under the assumption that the national seniors housing market is essentially balanced with respect to independent and assisted living services. We believe this to be a fair assumption considering the significant development activity over the past 20+ years and generally low barriers to entry nationwide.

We have applied our fundamental supply/demand analysis to the national U.S. market (using Environics data for the senior population and NIC MAP data for the number of units/beds by care type) and have determined that the U.S. market is approximately balanced if informal care represents 20% of age, acuity, and income-qualified independent living demand and 30% of age, acuity, and income-qualified assisted living and 50% of age, acuity, and income-qualified memory care demand. These figures seem reasonable on an absolute basis at one-fifth to one-half of demand and also on a relative basis since it is more difficult for a family member to provide care for their loved one as the acuity level increases.

NET DEMAND INDICATION

The final step in our demand estimate is subtracting the existing supply and alternative care options from the gross demand, resulting in a net demand of beds (positive), or an oversupply of beds (negative).

Memory Care: As memory care is a subset of assisted living, we have subtracted both the memory care supply and standard assisted living supply in our memory care demand calculation. As reported by The Assisted Living Overview, on average 36% of residents in freestanding assisted living residences (those with no secured memory care area) actually do have memory care needs; thus, we have also subtracted 36% of the assisted living supply from the gross memory care demand. Similarly, we estimate that approximately 10% of residents in the PMA's nursing facilities have memory care needs in addition to their ADL needs, and we have subtracted this amount as well. This is adjustment is intended to reflect seniors whose ADL needs make them appropriate for a skilled nursing setting but who also have dementia care needs and therefore appear in the gross demand numbers prior to the adjustment.

Net Memory Care Demand

		2025	2026	2027	2028	2029	2030
Gross MC Demand (Beds)		2,764	2,931	3,100	3,271	3,444	3,618
Demand Filled by Informal Caregivers (50%)	-	1,382	1,465	1,550	1,635	1,722	1,809
Demand Filled by ALRs (36% of AL supply)	-	113	113	113	113	113	113
Demand Filled by SNFs (10% of SN supply)	-	0	0	0	0	0	0
Memory Care Supply	-	290	290	290	290	290	290
Net Memory Care Demand		978	1,062	1,147	1,232	1,318	1,406

According to the calculations, the memory care segment has current excess demand of 978 beds with strong gross annual growth of 171 beds per year to 2030 excess demand of 1,406 beds.

Conclusion: The subject's PMA currently shows surplus demand for memory care services. Demand factors for senior housing services are expected to strengthen over the next five years, which bodes well for the community. The indicated demand for memory care services is sufficient to absorb any of the subject's vacant beds if they become available. In all, we believe that the subject will remain at stabilized levels and, thus, will be well occupied for the foreseeable future.

Subject Property Analysis

MANAGEMENT REVIEW

The management entity for the subject is Liana Living. Management maintains a personalized service plan, which can be amended if necessary. All potential residents undergo a health evaluation before entrance into the facility. Furthermore, the aging-in-place and out-placement policies appear to be reasonable and well implemented. Services at the facility are typical for this type of senior living property. As such, we conclude the subject's ability, if needed, to attract a third-party management vendor would be good. Our analysis assumes industry-consistent staffing levels and that the subject meets all mandated staffing thresholds.

FACILITY LICENSE

The subject is licensed as follows.

License Capacity	
Memory Care:	54 Beds
Total	**54 Beds**

PROPERTY STRENGTHS AND WEAKNESSES

Based on our review of the subject's physical plant and reported operations, we have summarized what we consider to be the strengths and weaknesses for the property. These are presented in the following summary.

Liana of Venice
Strengths:
• Excellent visibility on a major roadway • Very good reputation in local market area for quality care • Good quality FF&E • Physical plant is well maintained and subject has good curb appeal • Historically stable census • Strong community relations and marketing program • Facility has a modern design with above average common areas • Good residential feel • Good indicated demand with strong growth • Access to site is very good
Weaknesses:
• The subject's smaller size limits its ability to achieve economies of scale compared to larger competitors • Staffing issues remain an industry-wide problem

Site Features	
Street Address:	2321 E Venice Ave, Venice, Sarasota County, Florida 34292
Site Size:	125,613± square feet; 2.88± acres (source: Assessment Records)
Excess Land:	The improvements take up substantially the entire subject site; there is no excess land.
Shape:	Roughly rectangular.
Frontage:	Site is not a corner lot; primary frontage is along East Venice Avenue.
Access:	Property has average access.
Visibility:	Average
Topography:	The subject has level topography and is at street grade.
Utilities:	The subject is served by utilities that are typical for the market area.
Wetlands/Watershed:	The entire site is usable.
Environmental Issues:	During our site visit we noted no hazardous substances, adverse soil conditions, or environmental issues. Please reference Limiting Conditions and Assumptions.
Encumbrance/Easements:	We were not provided with a survey for the subject site and assume that there are no adverse encumbrances or easements. We assume that the site has typical drainage and utility easements along the perimeter. Please reference Limiting Conditions and Assumptions.
Site Comments:	The site seems to have good overall utility that is functional for the intended use.
Flood Zone:	The subject property is located on FEMA Map Number 12115C0332G, dated March 27, 2024, and has a designation of FEMA Zone AE. This district is assigned to areas subject to inundation by the 1% annual chance flood event determined by detailed methods. Base Flood Elevations (BFEs) are shown. Mandatory flood insurance purchase requirements and floodplain management standards apply.

Site Improvements	
Site Description:	The site plan consists of three access points, the first is on the northwest side of the site, off of East Venice Avenue, this leads to parking area around the entire site. Another access is located on the northeast side of the site, and the last access point is on the southeast side of the site, while the building improvements are located in the center.
Site Improvements:	These improvements primarily include signage, decorative pole-mounted lighting, parking areas, and a concrete walkway.
Parking:	69 parking spaces, including 4 spaces designated for handicapped use.

ZONING

The subject property is zoned Commercial, General (CG) by the Sarasota County. Permitted uses include multifamily, all group living, family day care home, day care facility, adult day care home, offices, bar, and restaurant.

We are not experts in the interpretation of zoning ordinances. A qualified land use/zoning expert should be engaged if there are any zoning concerns or if a determination of compliance with zoning is required.

Please note that analyzing the zoning requirements in relation to the subject property and determining conformance of the existing use, as well as researching deed restrictions, private or public, that may further limit the subject property's use is beyond the scope of this appraisal assignment. Deed restrictions are a legal matter and only a title examination by an attorney or Title Company can usually uncover such restrictive covenants. Thus, we recommend a title search to determine if any such restrictions do exist.

BUILDING IMPROVEMENTS

The subject is an existing memory care facility that was built in 2017. The subject Is a one-story in height and the improvements are of excellent quality construction and are in excellent condition. The building has interior courtyards in the middle of the building improvements. The building contains the commercial kitchen, dining room, therapy room, maintenance office, laundry, and a salon. A summary of the unit mix is presented as follows:

UNIT MIX AND DISTRIBUTION
Liana of Venice

	Memory Care		Total	
Unit / Bed Mix	**Units**	**Beds**	**Units**	**Beds**
Semi-private	4	8	4	8
Studio	46	46	46	46
Totals	50	54	50	54
Unit Distribution				
Semi-private	8.0%			8.0%
Studio	92.0%			92.0%
Building Metrics				
Gross Building Area (GBA)				37,831

Compiled by Newmark

General Description	
Property Type:	Memory Care Residence
Year Built:	2017
Renovated:	None
# of Buildings / Stories:	One / One
Gross Building Area:	37,831± square feet (source: Assessment Records)
Quality:	Above Average
Condition:	Above Average
Deferred Maintenance:	We noted no signs of deferred maintenance during our inspection.
MVS Ratings:	Excellent quality / Class D construction
Remaining Life:	Via the utilization of Marshall Valuation Service, we estimate the subject has a total life expectancy of 60 years. With consideration of the subject's age and condition, among other factors, we estimate the subject's effective age is 2 years which results in a remaining useful life estimate of 58 years. We also estimate the subject's remaining economic life at 58 years.

Foundation, Frame & Exterior	
Foundation:	Poured concrete slab
Basement:	None
Structural Frame:	Wood Frame
Exterior Wall Cover:	Stone Veneer and Stucco
Windows:	Double pane in aluminum frames
Roof Type / Cover:	Hip / Clay Tile

Interior Description	
Floor Cover:	A mix between carpet, vinyl flooring, vinyl wood flooring, terrazzo flooring, and tile flooring.
Interior Wall Cover:	Painted Drywall
Ceiling:	Painted Drywall
Interior Lighting:	A mix of fluorescent and incandescent lighting.
Common Restrooms:	The facility appears to have a sufficient number of common area restrooms that are accessible to staff, residents and/or guests
Resident Rooms:	Finishes within the resident unit include carpet in the bedrooms, and laminate wood in the bathroom. Base lighting throughout each unit.
In-Unit Kitchens:	The facility is serviced by a community kitchen.
In-Unit Bathrooms:	Each living unit has a full bathroom with a sink, walk-in shower, and toilet.

Mechanical Systems	
Heating/Cooling:	Central air
Sprinkler:	The improvements are fully fire sprinklered with a wet system.
Elevators:	Not applicable
Security:	Secured entry and pull-cords in units
Emergency Power:	Improvements have a backup Generac generator.

FF&E / Personal Property

Personal property (furnishings, fixtures and equipment) which is considered in our value estimates include all of the equipment required to operate the building as a memory care residence. This equipment includes all common area, any operator provided room furnishings, kitchen equipment, and laundry equipment. Residents may bring their own furnishings.

REAL ESTATE ASSESSMENT AND TAXES

The subject's assessment is determined by Sarasota County. The following chart shows the subject's parcel identification number as well as the most recent tax assessor market value estimates, tax assessment, and taxes. In Florida, non-homestead properties benefit from a cap on the annual increase of their assessed value for most taxing authorities. This means that even if the market value rises sharply, the assessed value used for tax calculations can't increase by more than 10% per year. However, school districts are exempt from this cap and can tax based on the full assessed or just value of the property.

SUBJECT TAXES

Liana of Venice

	Tax Assessor Market Values:			Real Property:		Personal Property:	
Parcel ID	Land	Building	Total	Assessment	Taxes	Assessment	Taxes
10-39S-19E (School)	$1,769,500	$4,807,400	$6,576,900	$6,576,900	$40,323	$162,000	$2,325
10-39S-19E (City & County)	$1,769,500	$4,807,400	$6,576,900	$6,343,062	$33,922	$0	$0
Totals:	$1,769,500	$4,807,400	$6,576,900	$6,576,900	$74,245	$162,000	$2,325
Per Bed:				$121,794	$1,375	$3,000	$43

Taxing Authority/Jurisdiction:	Sarasota County	
Tax Year:	2024	
Real Property Millage Rate (School):	6.13100	Per $1,000
Real Property Millage Rate (City & County):	5.34790	Per $1,000
Real Property Assessment Ratio:	100.000%	
Personal Property Millage Rate:	11.47890	Per $1,000
Personal Property Assessment Ratio:	100.000%	
Total Real & Personal Property Taxes:	**$77,000**	**(Rounded)**

As market value conclusions are predicated on the sale of the subject as of the effective date of the report. According to our conversation with a representative at the assessor's office, a sale of the subject property would automatically trigger a reassessment, which would consider the sale price of the property.

Property Tax Comparisons

To determine if our assessed value and corresponding taxes on the property are reasonable, we examined the actual assessed value of other similar type properties throughout the area and compared them to the subject on a 'per bed' basis. We find it reasonable to compare the assessed value rather than the resultant taxes since tax comparables often carry varying municipal millage rates. Therefore, the 'per bed' assessed value is the most direct means of comparison. Please note that the subsequent tax comparison analysis includes real property only as personal property assessments are often self-reported and can vary greatly depending on accounting methods and depreciation schedules.

For senior living facilities, few assessors have the knowledge, expertise or training to accurately value such properties. Part of the value of a well performing seniors housing property is intangible

business value, which is not subject to ad valorem taxation. As under-assessments are typical, another means for evaluating an assessed value is to compare assessed values for similar properties in the same, or nearby, assessment districts.

These are illustrated in the following table.

REAL PROPERTY TAX COMPARISON

Liana of Venice

Property Name	Year Built	No. of Beds	Assessed Values: Total	Assessed Values: Per Bed	Property Taxes: Taxes	Property Taxes: Per Bed
Jacaranda Trace	2000	292	$7,169,300	**$24,552**	$82,296	**$282**
Maris Pointe	2000	42	$3,818,700	**$90,921**	$57,495	**$1,369**
Venice Palms Senior Living	1998	93	$2,971,200	**$31,948**	$34,106	**$367**
Heartis Venice	2021	182	$31,916,000	**$175,363**	$480,534	**$2,640**
Subject - Current Liana of Venice	**2017**	**54**	$6,576,900	$121,794	$74,245	$1,375

On a per bed basis, the subject's assessed value and real estate taxes are within the range of the comparables. We have estimated property to increase by 3.0% in our proforma. In all, we estimate a combined real and personal property tax liability of $80,000 (rounded) is reasonable for the subject. This estimate is used in our Year 1 stabilized proforma for the Income Capitalization Approach.

Highest And Best Use

HIGHEST AND BEST OF SITE AS IF VACANT

Legally Permissible

The site is zoned CG which permits the following uses: multifamily, all group living, family day care home, day care facility, adult day care home, offices, bar, and restaurant. Aside from the site's zoning regulations, we are not aware of any legal restrictions that limit the potential uses of the subject.

Physically Possible

The subject site contains 2.88± acres, and the overall utility of the site is considered good. The site is served by all public utilities including public water and sewer, gas, electric, and telephone. Overall, the site is considered adequate to accommodate most permitted development possibilities.

Financial Feasibility and Maximum Profitability

After analyzing the physically possible and legally permissible uses of the property, the highest and best use must be considered in light of financial feasibility and maximum profitability.

To be feasible, a potential use would need to provide a sufficient return on capital and a positive net income or acceptable rate of return would indicate that a use is financially feasible. Of the uses that are allowed, the one that is maximally productive would be considered the highest and best use.

As will be shown, the stabilized market value estimate for the subject property (TAB) indicates that the subject improvements are an economically feasible use of the land.

Considering all factors involved, including zoning, physical characteristics, the financial feasibility of these uses, as well as the current market conditions, we have concluded that the highest and best use of the site, as if vacant, is for immediate development with a senior housing use. The most probable buyer would be a regional or national seniors housing developer.

HIGHEST AND BEST USE AS IMPROVED

According to the Dictionary of Real Estate Appraisal, highest and best use of the property as improved is defined as:

> *The use that should be made of a property as it exists. An existing improvement should be renovated or retained "as is" so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.*

In analyzing the highest and best use of a property as improved, it is recognized that the improvements should continue to be used until it is financially advantageous to alter physical elements of the structure or to demolish it and build a new one. The highest and best use as improved must meet the same criteria as the highest and best use as though vacant.

The current use as a memory care residence is a permitted use of the land. The design, layout, as well as average size per bed of the facility are consistent with industry norms for this property type in this market and appear to be functional for the current use. We know of no municipal actions or covenants forthcoming that would require a change to the current improvements.

Alternative uses for the improvements, however, would be limited due to the overall design of the subject. These include smaller resident units, specialty healthcare build out, no individual cooking facilities, shared baths, high common area ratio, and no exterior unit entrances. As a result, any conversion to an alternative use would be costly. As such, it is our opinion that the highest and best use is as currently improved. The most probable buyer is a regional or national seniors housing operator or investor.

Appraisal Methodology

COST APPROACH

The cost approach is based on the proposition that the informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements that represent the highest and best use of the land, or when it is improved with relatively unique or specialized improvements for which there exist few sales or leases of comparable properties.

SALES COMPARISON APPROACH

The sales comparison approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject. Valuation is typically accomplished using physical units of comparison such as price per square foot, price per unit, price per floor, etc., or economic units of comparison such as gross rent multiplier. Adjustments are applied to the property units of comparison derived from the comparable sale. The unit of comparison chosen for the subject is then used to yield a total value.

INCOME CAPITALIZATION APPROACH

The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

Applicability Of Approaches

The appraisal process concludes with the Final Reconciliation of the values derived from the approaches applied for a single estimate of market value. Different properties require different means of analysis and lend themselves to one approach over the others. The approaches that were used in the analysis of the subject are as follows:

- The Cost Approach was considered and was not developed because the age of the improvements makes depreciation difficult to accurately measure. Additionally, the most probable purchaser would place no weight on this approach.
- The Sales Comparison Approach was considered and was developed because there is adequate data to develop a value estimate, and this approach reflects market behavior for this property type.
- The Income Capitalization Approach was considered and was developed because the subject is an income producing property and there is adequate data to develop a value estimate with this approach.

Sales Comparison Approach

The sales comparison approach value is derived by analyzing closed sales, listings, or pending sales of properties that are similar to the subject. The sales comparison approach includes the following steps.

- Research and verify information on properties in the competitive market that are similar to the subject and that have recently sold, are listed for sale, or are under contract.
- Select the most relevant units of comparison in the market and develop a comparative analysis. The most meaningful unit of values for properties such as the subject is price per square foot, price per unit and/or bed.
- Examine and quantify via adjustments differences between the comparable sales and the subject property using all appropriate elements of comparison.
- Reconcile the various value indications to a value bracket and then a single value indication.

This approach is utilized to provide a value estimate of the subject in “As Is” condition.

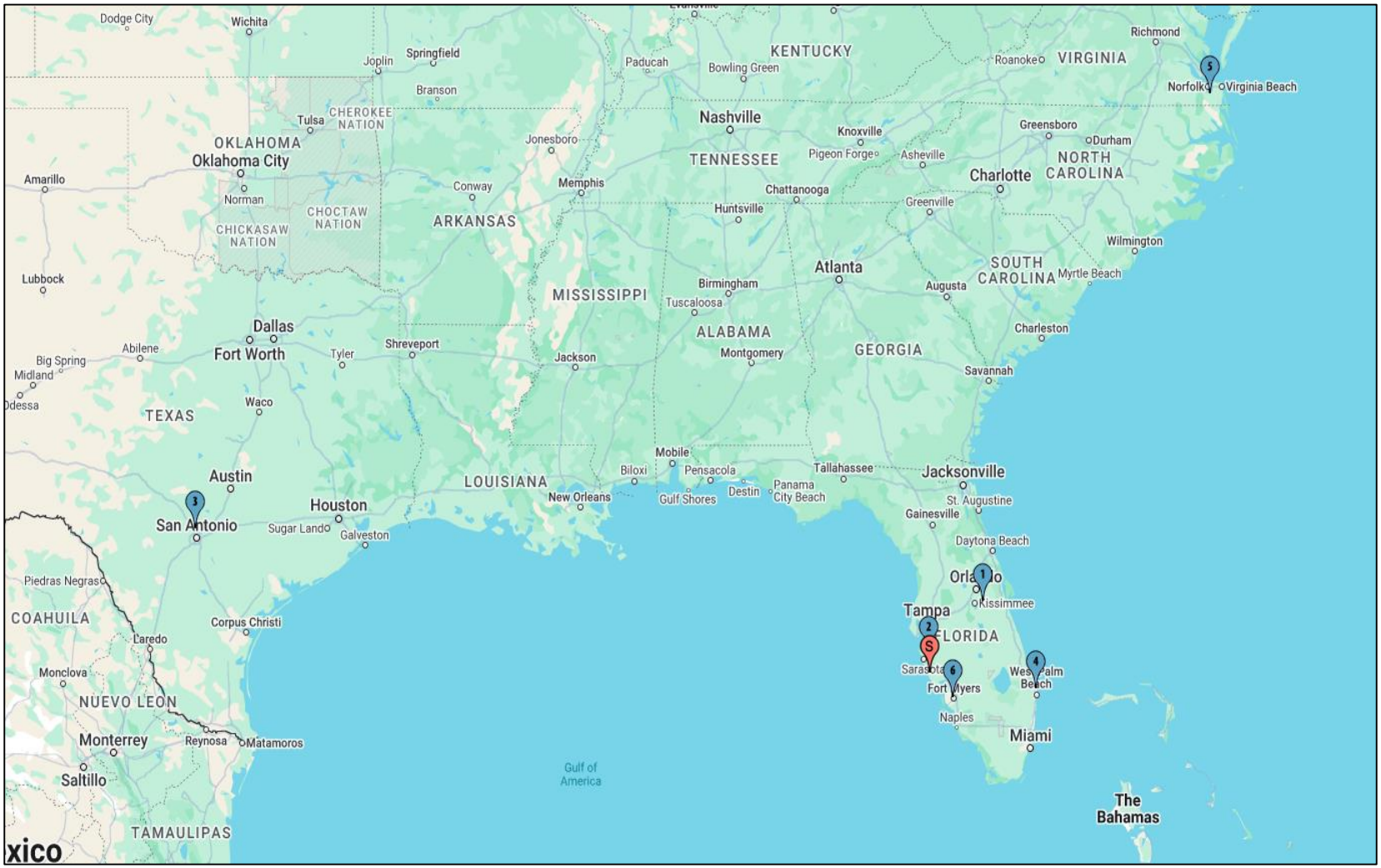
SELECTION OF SALE COMPARABLES

We conducted our search for comparable sales on the regional level since there are typically not enough recent sales of comparable facilities in a single state to reliably perform a sales comparison analysis. Our search for comparable sales resulted in multiple transactions that are useful in estimating value of the subject property. While this search provided several sales, the selected comparables are among the most similar to the subject. A chart providing an overview of the comparable sales utilized in our analysis is presented below; a location map and data sheets for each comparable are also included on the following pages.

IMPROVED SALES SUMMARY

Comp	Name	State	Date	Price	Price/Bed	No. of Beds	Year Built
1	Benton House of Narcoossee	Florida	Sep-24	$17,900,000	$248,611	72	2022
2	The Summit at Lakewood Ranch	Florida	Jan-24	$27,500,000	$235,043	117	2016
3	Heartis San Antonio	Texas	Jul-23	$36,000,000	$330,275	109	2016
4	Palm Beach Memory Care	Florida	Jun-23	$17,000,000	$283,333	60	2022
5	Bickford of Chesapeake	Virginia	Feb-23	$17,300,000	$288,333	60	2022
6	Crossings Hancock Creek	Florida	Oct-22	$23,700,000	$232,353	102	2016

Improved Sales Map



SENIOR HOUSING TRANSACTION — COMPARABLE 1

Facility Name	**Benton House of Narcoossee**
Address	2910 N Narcoossee Rd Saint Cloud, Florida
Folio Parcel ID	08-25-31-3564-0001-00D0
Property Type	Assisted Living Residence with Memory Care

Transaction Data

Transaction Price	**$17,900,000**	**Transaction Status**	**Closed**
Price Per Bed	**$248,611**	**Transaction Date**	**September 2024**
Rights Conveyed	Fee Simple	**Recording Number**	6677-0795
Conditions of Sale	Arms-Length	**Financing**	Typical
Grantor	Narcoossee SLP LLC		
Grantee	Sonida St Cloud LLC		
Verification Source	Broker		

Site & Improvements

Year Built	2022	**Building Size (GBA)**	49,011 SF
Number of Beds	72	**Number of Stories**	1
Building Condition	Above Average	**Land Acres**	4.180 Acres
Building Quality	Above Average	**Land Square Feet**	182,081 SF
Flood Zone	Zone AE		

Financial Data

CAP Rate (OAR)	7.75%
Occupancy	93.0%

Remarks

The property formerly known as Benton House of Narcoossee was sold and subsequently rebranded as The Addison of Narcoossee. The sale was part of a broader portfolio acquisition by a national senior housing operator and included several newly developed assisted living and memory care communities. At the time of sale, the property was operating at stabilized levels, and the broker identified the market as experiencing growth and continued demand for senior housing services.

SENIOR HOUSING TRANSACTION	COMPARABLE 2

Facility Name	**The Summit at Lakewood Ranch**
Address	11705 Evening Walk Dr Bradenton, Florida
Folio Parcel ID	5832-0605-9
Property Type	Assisted Living Residence with Memory Care

Transaction Data

Transaction Price	**$27,500,000**	**Transaction Status**	**Closed**
Price Per Bed	**$235,043**	**Transaction Date**	**January 2024**
Rights Conveyed	Fee Simple	**Recording Number**	202441005762
Conditions of Sale	Arms-Length	**Financing**	Typical
Grantor	SHI-II SLD Lakewood Ranch, LLC		
Grantee	Lakewood Ranch, LLC		
Verification Source	Confidential		

Site & Improvements

Year Built	2016	**Building Size (GBA)**	109,010 SF
Number of Beds	117	**Number of Stories**	4
Building Condition	Above Average	**Land Acres**	7.014 Acres
Building Quality	Above Average	**Land Square Feet**	305,535 SF
Flood Zone	Zone X		

Financial Data

CAP Rate (OAR)	8.01%
Occupancy	89.0%

Remarks

Chicago Pacific Founders (CPF) and its subsidiaries, CPF Living Communities and Grace Management Inc., have acquired The Summit of Lakewood Ranch in Lakewood Ranch, approximately 40 miles south of Tampa. The community offers assisted living and memory care. The community will be managed by Grace Management, Inc. Chicago Pacific Founders plans to invest in improvements for the community to enhance the quality of life for all stakeholders.

SENIOR HOUSING TRANSACTION — COMPARABLE 3

Facility Name	**Heartis San Antonio**
Address	15430 Huebner Rd San Antonio, Texas
Folio Parcel ID	16902-023-0060
Property Type	Assisted Living Residence with Memory Care

Transaction Data

Transaction Price	**$36,000,000**	**Transaction Status**	**Closed**
Price Per Bed	**$330,275**	**Transaction Date**	**July 2023**
Rights Conveyed	Fee Simple	**Recording Number**	20230131414
Conditions of Sale	Arms-Length	**Financing**	Typical
Grantor	Heartis San Antonio Partners LP		
Grantee	15430 Huebner Road Property Owner Llc		
Verification Source	Confidential		

Site & Improvements

Year Built	2016	**Building Size (GBA)**	86,000 SF
Number of Beds	109	**Number of Stories**	3
Building Condition	Above Average	**Land Acres**	Acres
Building Quality	Above Average	**Land Square Feet**	SF
Flood Zone	Zone X		

Financial Data

CAP Rate (OAR)	7.00%

Remarks

This sale was a 101-unit assisted living and memory care complex in far North Central San Antonio. There was a reported 7% cap rate yielding a net operating income of $2,520,000.

SENIOR HOUSING TRANSACTION	COMPARABLE 4

Facility Name	**Palm Beach Memory Care**
Address	639 U.S. Hwy 1 North Palm Beach, Florida
Folio Parcel ID	68-43-42-16-34-001-0000
Property Type	Memory Care Residence

Transaction Data

Transaction Price	**$17,000,000**	**Transaction Status**	**Closed**
Price Per Bed	**$283,333**	**Transaction Date**	**June 2023**
Rights Conveyed	Fee Simple	**Recording Number**	34396-1477
Conditions of Sale	Arms-Length	**Financing**	Typical
Grantor	Silver Companies		
Grantee	Alta Senior Living		
Verification Source	Confidential		

Site & Improvements

Year Built	2022	**Building Size (GBA)**	37,119 SF
Number of Beds	60	**Number of Stories**	1
Building Condition	Average	**Land Acres**	2.454 Acres
Building Quality	Average	**Land Square Feet**	106,907 SF
Flood Zone	Zone X		

Remarks

Silver Companies has sold the Palm Beach Memory care facility in North Palm Beach Florida for $17 million. The facility sits on a 2.44 acre lot and is a senior housing asset with 60 units.

SENIOR HOUSING TRANSACTION COMPARABLE 5

Facility Name	**Bickford of Chesapeake**
Address	361 Great Bridge Blvd Chesapeake, Virginia
Folio Parcel ID	0360000001780
Property Type	Assisted Living Residence

Transaction Data

Transaction Price	**$17,300,000**	**Transaction Status**	**Closed**
Price Per Bed	**$288,333**	**Transaction Date**	**February 2023**
Rights Conveyed	Fee Simple	**Recording Number**	10637-1894
Conditions of Sale	Arms-Length	**Financing**	Conventional
Grantor	Bickford Of Chesapeake LLC		
Grantee	NHI-Bickford RE LLC		
Verification Source	Confidential		

Site & Improvements

Year Built	2022	**Building Size (GBA)**	43,032 SF
Number of Beds	60	**Number of Stories**	1
Building Condition	Above Average	**Land Acres**	4.182 Acres
Building Quality	Above Average	**Land Square Feet**	182,168 SF
Flood Zone	X		

Financial Data

CAP Rate (OAR)	8.01%
Occupancy	90.0%

Remarks

This is the sale of a leased assisted living and memory care facility. The buyer reported an initial cash lease yield of 8% as the property was added to an existing master lease with the seller. This yield equates to an in place NOI of $1,384,000. The information was obtained from the buyers 8-K.

SENIOR HOUSING TRANSACTION	COMPARABLE 6

Facility Name	**Crossings Hancock Creek**
Address	3501 Hancock Bridge Pky North Fort Myers, Florida
Folio Parcel ID	10-44-24-00-01039.0000
Property Type	Assisted Living Residence with Memory Care

Transaction Data			
Transaction Price	**$23,700,000**	**Transaction Status**	**Closed**
Price Per Bed	**$232,353**	**Transaction Date**	**October 2022**
Rights Conveyed	Fee Simple	**Recording Number**	000000326944
Conditions of Sale	Arms-Length	**Financing**	Typical
Grantor	Wickshire Senior Living		
Grantee	Inspired Healthcare Capital		
Verification Source	Assessor, Public Record, & Costar		

Site & Improvements			
Year Built	2016	**Building Size (GBA)**	144,624 SF
Number of Beds	102	**Number of Stories**	3
Building Condition	Average	**Land Acres**	14.260 Acres
Building Quality	Above Average	**Land Square Feet**	621,166 SF
Flood Zone	X		

PRICE PER BED ANALYSIS

For this property type, the most common method of comparison is price per bed. Although this method does not directly account for the income and operating characteristics of a property, it does provide a general means of traditional comparison.

Property Rights Sold Or Conveyed

All of the sales utilized in this analysis involved the transfer of the Fee Simple interest. Since we are appraising the Fee Simple interest of the subject, no adjustments are required.

Financing

To the best of our knowledge, all of the sales utilized in this analysis were accomplished with cash equivalent financing. Therefore, no adjustment for financial terms is required for the comparables.

Conditions of Sale

Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. In many situations, the conditions of sale may significantly affect transaction prices. All sales used in this analysis are considered to be "arms-length" market transactions between both knowledgeable buyers and sellers on the open market. Therefore, no adjustments for conditions of sale are required for the comparables.

Market Conditions

The passage of time does not necessarily warrant an adjustment. However, fluctuations in market conditions (e.g., supply, demand, macro-economic conditions) may result in appreciation (increases in property values), or depreciation (declines in property values) over time. The comparable sales analyzed are representative of the most recent, comparable, arm's-length sales that we could obtain. None of the sales analyzed are resales, nor are they similar enough to one another to extract a time adjustment.

Many participants in the market have become aware of the shifts within the economic landscape, which is driven by market inflation and escalating interest rates. While the recognition of these factors has shifted the market dramatically, the improved sales used are very recent besides sale 6. Therefore, an adjustment was made to this sale.

Location

An adjustment for location is required when the locational characteristics of a comparable property are different from those of the subject property. Negative adjustments are made to those comparables considered superior in location versus the subject. Conversely, positive adjustments are made to those comparables considered inferior.

In this case, location adjustments are based on local housing prices. Thus, we have made the following adjustments.

Location Adjustment						
	Benton House of	The Summit at Lakewood	Heartis San Antonio	Palm Beach Memory	Bickford of	Crossings Hancock Creek
Comp. No.	1	2	3	4	5	6
Median Home Price (Comparable)	$460,000	$580,000	$510,000	$610,000	$380,000	$250,000
Subject's Median Home Price	$440,000	$440,000	$440,000	$440,000	$440,000	$440,000
Difference in Home Price	-4.35%	-24.14%	-13.73%	-27.87%	15.79%	76.00%
Adjustment	0.0%	-5.0%	0.0%	-5.0%	0.0%	20.0%

Property Size (Number of Units/Beds)

The number of beds in a facility can vary greatly, and an adjustment to account for a size variance may be required. Size variances often impact purchase price from both an operational perspective and a market perspective.

The comparables vary somewhat in size compared to the subject. However, the sales are considered to operate with similar economies to the subject and, as such, no adjustment for size is warranted.

Age (Year Built)

Since many senior living facilities are renovated or have built additions over their lifetime, we have taken this into account in determining the appropriate comparable adjustments.

No adjustment was made for age as most facilities are recent.

Quality

The overall physical quality of a seniors housing community affects the price a buyer is willing to pay.

We have classified the comparables in three general categories of physical quality: below average, average, and above average. As these are very broad classifications, there may be small variances within the same quality rating which is adjusted where applicable. Facilities with above-average quality of construction, high end finishes, more extensive amenities offerings, above average operational utility, and superior physical appeal are considered above average while lower end facilities with below average construction quality, minimal amenities and finishes, very basic FF&E, and fair or below average overall physical appeal are considered below average for the purpose of our quality adjustment. We subjectively assigned adjustments of 0% per quality ranking difference. An adjustment was made to improved sale 4.

Occupancy

This adjustment considers the actual occupancy at the time of sale versus that of the subject. An investor will likely pay less for an asset with a low occupancy level to offset the time and expense associated with increasing the occupancy.

While the comparable facilities were operating at varying census levels at the time of sale, each was considered to be stabilized. As such, an adjustment for occupancy is not necessary.

On the following page is a sales comparison grid displaying the subject property, the comparables, and the adjustments that were applied.

IMPROVED SALES ANALYSIS GRID							
Improved Sales	**SUBJECT**	**Comp No. 1**	**Comp No. 2**	**Comp No. 3**	**Comp No. 4**	**Comp No. 5**	**Comp No. 6**
Name	Liana of Venice	Benton House of Narcoossee	The Summit at Lakewood Ranch	Heartis San Antonio	Palm Beach Memory Care	Bickford of Chesapeake	Crossings Hancock Creek
City	Venice	Saint Cloud	Bradenton	San Antonio	North Palm Beach	Chesapeake	North Fort Myers
State	Florida	Florida	Florida	Texas	Florida	Virginia	Florida
Transaction Status	–	Closed	Closed	Closed	Closed	Closed	Closed
Transaction Date	–	Sep-24	Jan-24	Jul-23	Jun-23	Feb-23	Oct-22
Price	–	$17,900,000	$27,500,000	$36,000,000	$17,000,000	$17,300,000	$23,700,000
Price/Bed	–	$248,611	$235,043	$330,275	$283,333	$288,333	$232,353
Transaction Adjustments							
Property Rights	–	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Financing	–	Typical	Typical	Typical	Typical	Conventional	Typical
% Adjustment		0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Conditions of Sale	–	Arms-Length	Arms-Length	Arms-Length	Arms-Length	Arms-Length	Arms-Length
% Adjustment		0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Market Conditions							
% Adjustment	–	0%	0%	0%	0%	0%	-5%
$ Adjustment		$0	$0	$0	$0	$0	($11,618)
Adjusted Prices		$248,611	$235,043	$330,275	$283,333	$288,333	$220,735
Property Adjustments							
Location							
% Adjustment	–	0%	-5%	0%	-5%	0%	20%
$ Adjustment		$0	($11,752)	$0	($14,167)	$0	$44,147
Number of Beds	54	72	117	109	60	60	102
% Adjustment		0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Year Built	2017	2022	2016	2016	2022	2022	2016
% Adjustment		0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Quality	Above Average	Above Average	Above Average	Above Average	Average	Above Average	Above Average
% Adjustment		0%	0%	0%	10%	0%	0%
$ Adjustment		$0	$0	$0	$28,333	$0	$0
Occupancy	94.0%	93.0%	89.0%	Stabilized	Stabilized	90.0%	Stabilized
% Adjustment		0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Adjusted Price Per Bed		**$248,611**	**$223,291**	**$330,275**	**$297,500**	**$288,333**	**$264,882**
Net Adjustments	–	0%	-5%	0%	5%	0%	15%
Gross Adjustments	–	**0%**	**5%**	**0%**	**15%**	**0%**	**25%**

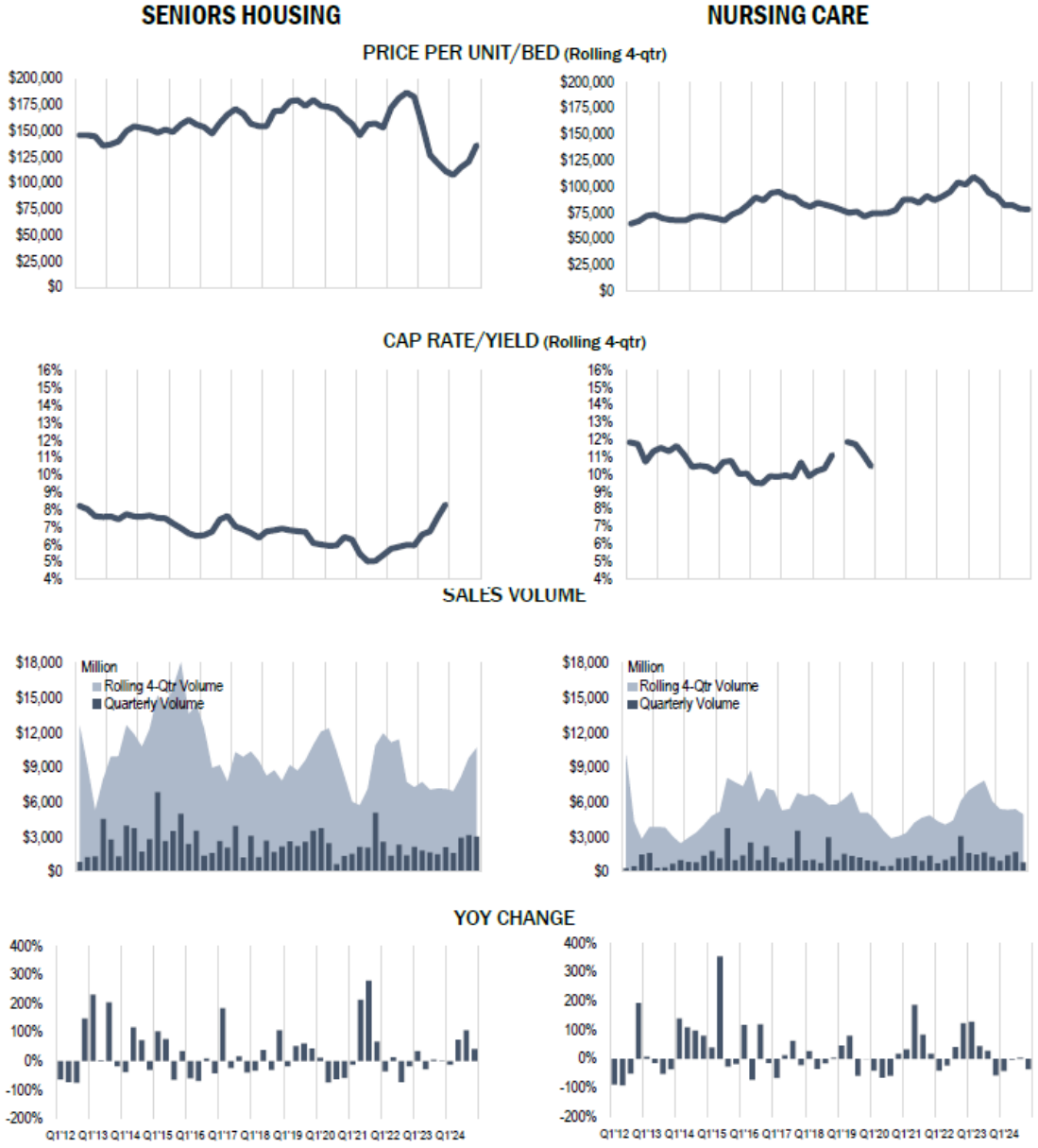
National Benchmarks

Seniors Housing & Care Transactions Price Per Unit Distribution

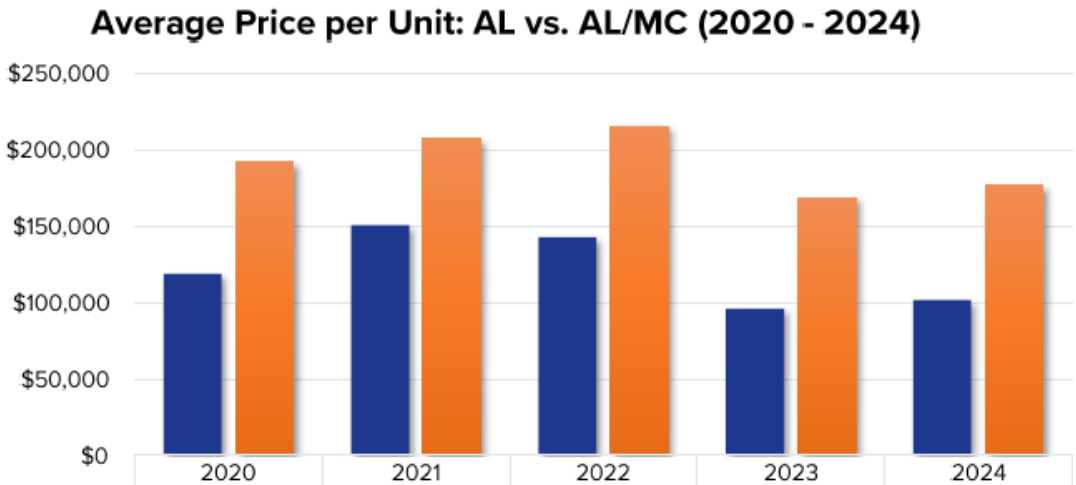
US QUARTERLY REPORT - Q4 2024

Investment Trends

Over the past four quarters, Seniors housing transaction volume reached $10.7 billion, up 49% year over year. Activity for nursing care reached $4.9 billion, falling 19% from the prior year. Transaction volume for Seniors housing & care totaled $15.6 billion over the same time frame.

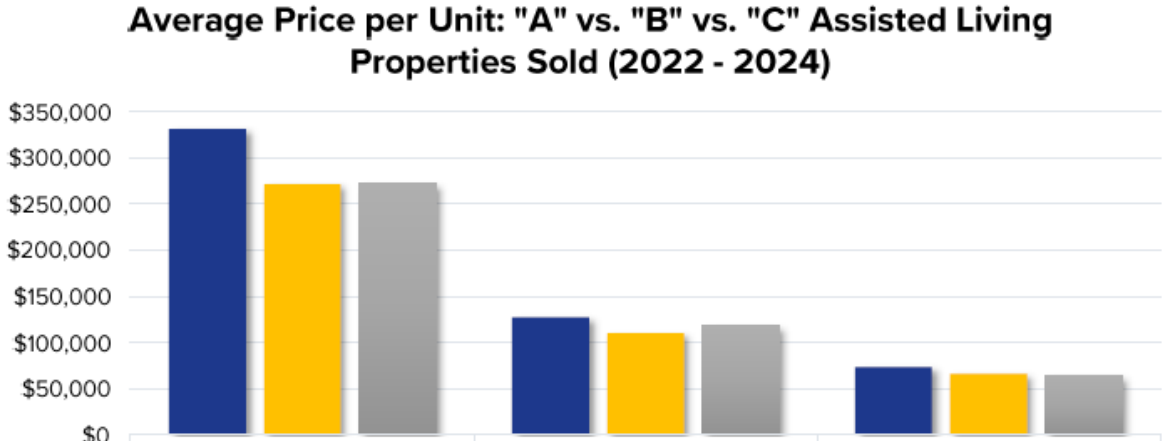


Source: NIC MAP Data, power by NIC MAP Vision; Real Capital Analytics



	2020	2021	2022	2023	2024
Assisted Living	$118,800	$150,700	$142,800	$95,700	$101,600
AL/MC	$191,800	$207,100	$215,600	$168,700	$177,100

Source: The Senior Care Acquisition Report, 2025



	"A" Properties	"B" Properties	"C" Properties
2022	$331,000	$127,000	$73,100
2023	$271,200	$109,800	$65,800
2024	$271,900	$117,500	$64,800

Source: The Senior Care Acquisition Report, 2025

Operating/Valuation Statistics: "A" vs "B" vs "C" AL Properties Sold in 2024			
	"A" Properties	"B" Properties	"C" Properties
Average NOI per Unit	$17,400	$7,900	$6,200
Average Operating Margin	23.1%	12.3%	13.7%
Average Occupancy	83.7%	77.1%	71.8%
Average Cap Rate	7.6%	8.9%	10.7%

Source: The Senior Care Acquisition Report, 2025

Seniors Housing Price per Bed Quartile

	Upper Quartile	Median	Lower Quartile
2022	$233,813	$154,442	$95,349
2023	$187,017	$108,446	$65,000
2024	$216,006	$111,176	$51,881

Source: The Senior Care Acquisition Report, 2025

Price Per Bed Conclusion

The adjusted pricing of the comparable properties ranges from $223,291 to $330,275 per bed with an average adjusted price of $275,482 per bed. We reconciled to $280,000 per bed, or $15,100,000, via the sales comparison approach. Our calculations are shown on the following chart.

PRICE PER BED CONCLUSION	
Indicated Value Per Bed:	$280,000
Subject Size (Beds):	X 54
Indicated Value:	$15,120,000
Rounded:	**$15,100,000**

Income Capitalization Approach

The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time.

The steps involved in capitalizing the subject's net operating income are as follows:

- Develop the subject's Potential Gross Income (PGI) through analysis of the subject's actual historic or projected income and an analysis of competitive current market income rates;
- Estimate and deduct vacancy and collection losses to develop the Effective Gross Income (EGI);
- Develop and subtract operating expenses to derive the Net Operating Income (NOI);
- Develop the appropriate capitalization rate (Ro);
- Divide the net operating income by the capitalization rate for an estimate of value. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

In this approach, we have provided estimates of value for the subject in "As Is" condition.

REVENUE ESTIMATES

For the revenue and expense estimates, our forecasted figures are for the subject "As If Stabilized" and, thus, are projected in today's dollars.

For our analysis, we were provided with Calendar Year operating statements for the reporting periods of 2023, 2024, a Trailing 12 Month from May 2024 to April 2025, and 2025 Budget. Reserves are estimated at $300 per bed and the management fee is estimated at 5.0%. This information is presented on the following page.

REPORTED OPERATING DATA

OPERATING YEAR	2023		2024		T12 (MAY24 - APR25)		2025 Budget		NEWMARK STABILIZED ESTIMATES	
REPORTING PERIOD										
Memory Care Beds	54	100%	54	100%	54	100%	54	100%	54	100%
Total Resident Days	15,786		18,419		18,198		19,316		18,527	
AVERAGE OCCUPANCY	80.1%		93.2%		92.3%		98.0%		94.0%	
	TOTAL	$/PRD[1]	TOTAL	$/PRD[1]	TOTAL	$/PRD[1]	TOTAL	$/PRD[1]	TOTAL	$/PRD[1]
REVENUES										
Memory Care Rental	$ 3,371,680	$ 213.58	$ 3,773,486	$ 204.87	$ 3,819,709	$ 209.89	$ 3,991,968	$ 206.67	$ 3,957,024	$ 213.58
Additional Care Fees	$ -	$ -	$ -	$ -	$ -	$ -	$ 12,565	$ 0.65	$ -	$ -
Community Fees	$ 76,500	$ 4.85	$ 69,532	$ 3.78	$ 63,000	$ 3.46	$ -	$ -	$ 83,754	$ 4.52
Other Revenues	$ 17,050	$ 1.08	$ 2,271	$ 0.12	$ 6,394	$ 0.35	$ 57,400	$ 2.97	$ 18,527	$ 1.00
TOTAL NET REVENUES	$ 3,465,230	$ 219.51	$ 3,845,288	$ 208.77	$ 3,889,103	$ 213.71	$ 4,061,932	$ 210.29	$ 4,059,305	$ 219.10
Collection Loss	$ 18,546	$ 1.17	$ 3,324	$ 0.18	$ (426)	$ (0.02)	$ -	$ -	$ (20,297)	$ (1.10)
EFFECTIVE GROSS REVENUE	$ 3,483,776	$ 220.68	$ 3,848,613	$ 208.95	$ 3,888,677	$ 213.68	$ 4,061,932	$ 210.29	$ 4,039,009	$ 218.00
OPERATING EXPENSES										
Property Taxes	$ 88,522	$ 5.61	$ 94,634	$ 5.14	$ 95,486	$ 5.25	$ 87,546	$ 4.53	$ 80,000	$ 4.32
Insurance	$ 143,309	$ 9.08	$ 198,429	$ 10.77	$ 199,448	$ 10.96	$ 289,021	$ 14.96	$ 200,000	$ 10.79
Utilities	$ 96,481	$ 6.11	$ 96,433	$ 5.24	$ 97,518	$ 5.36	$ 96,278	$ 4.98	$ 98,195	$ 5.30
Building & Grounds	$ 121,223	$ 7.68	$ 113,414	$ 6.16	$ 96,182	$ 5.29	$ 90,048	$ 4.66	$ 100,974	$ 5.45
Administrative	$ 455,389	$ 28.85	$ 654,804	$ 35.55	$ 633,744	$ 34.82	$ 631,220	$ 32.68	$ 627,152	$ 33.85
Payroll Taxes & Benefits	$ 263,544	$ 16.69	$ 223,778	$ 12.15	$ 213,166	$ 11.71	$ 209,048	$ 10.82	$ 212,602	$ 11.48
Dietary	$ 320,772	$ 20.32	$ 300,414	$ 16.31	$ 265,230	$ 14.57	$ 326,783	$ 16.92	$ 313,113	$ 16.90
Housekeeping/Laundry	$ 67,857	$ 4.30	$ 70,154	$ 3.81	$ 72,798	$ 4.00	$ 77,098	$ 3.99	$ 74,110	$ 4.00
Resident Care / Nursing	$ 1,061,244	$ 67.23	$ 1,026,406	$ 55.73	$ 983,586	$ 54.05	$ 883,458	$ 45.74	$ 994,921	$ 53.70
Activities	$ 41,523	$ 2.63	$ 56,508	$ 3.07	$ 59,509	$ 3.27	$ 63,545	$ 3.29	$ 60,214	$ 3.25
SUBTOTAL OPERATING EXPENSES	$ 2,659,863	$ 168.49	$ 2,834,974	$ 153.92	$ 2,716,668	$ 149.28	$ 2,754,044	$ 142.58	$ 2,761,282	$ 149.04
OPERATING EXPENSE RATIO	76.3%		73.7%		69.9%		67.8%		68.4%	
EBITDARM[2]	$ 823,913	$ 52.19	$ 1,013,639	$ 55.03	$ 1,172,009	$ 64.40	$ 1,307,888	$ 67.71	$ 1,277,727	$ 68.96
Replacement Reserves[3]	$ 16,200	$ 1.03	$ 16,200	$ 0.88	$ 16,200	$ 0.89	$ 16,200	$ 0.84	$ 16,200	$ 0.87
Management Fees[4]	$ 174,189	$ 11.03	$ 192,431	$ 10.45	$ 194,434	$ 10.68	$ 203,097	$ 10.51	$ 201,950	$ 10.90
TOTAL EXPENSES	$ 2,850,251	$ 180.55	$ 3,043,604	$ 165.24	$ 2,927,302	$ 160.86	$ 2,973,341	$ 153.93	$ 2,979,432	$ 160.81
NET OPERATING INCOME	$ 633,525	$ 40.13	$ 805,008	$ 43.71	$ 961,375	$ 52.83	$ 1,088,591	$ 56.36	$ 1,059,576	$ 57.19
OPERATING EXPENSE RATIO	81.82%		79.08%		75.28%		73.20%		73.77%	

[1] *Per Resident Day;* [2]*Earnings Before Interest, Taxes, Depreciation, Amortization, Rent and Management Fees.*

[3] *Calculated at $300 per bed*

[4] *Normalized at 5.0% of Effective Gross Revenues (after collection loss)*

Compiled by Newmark

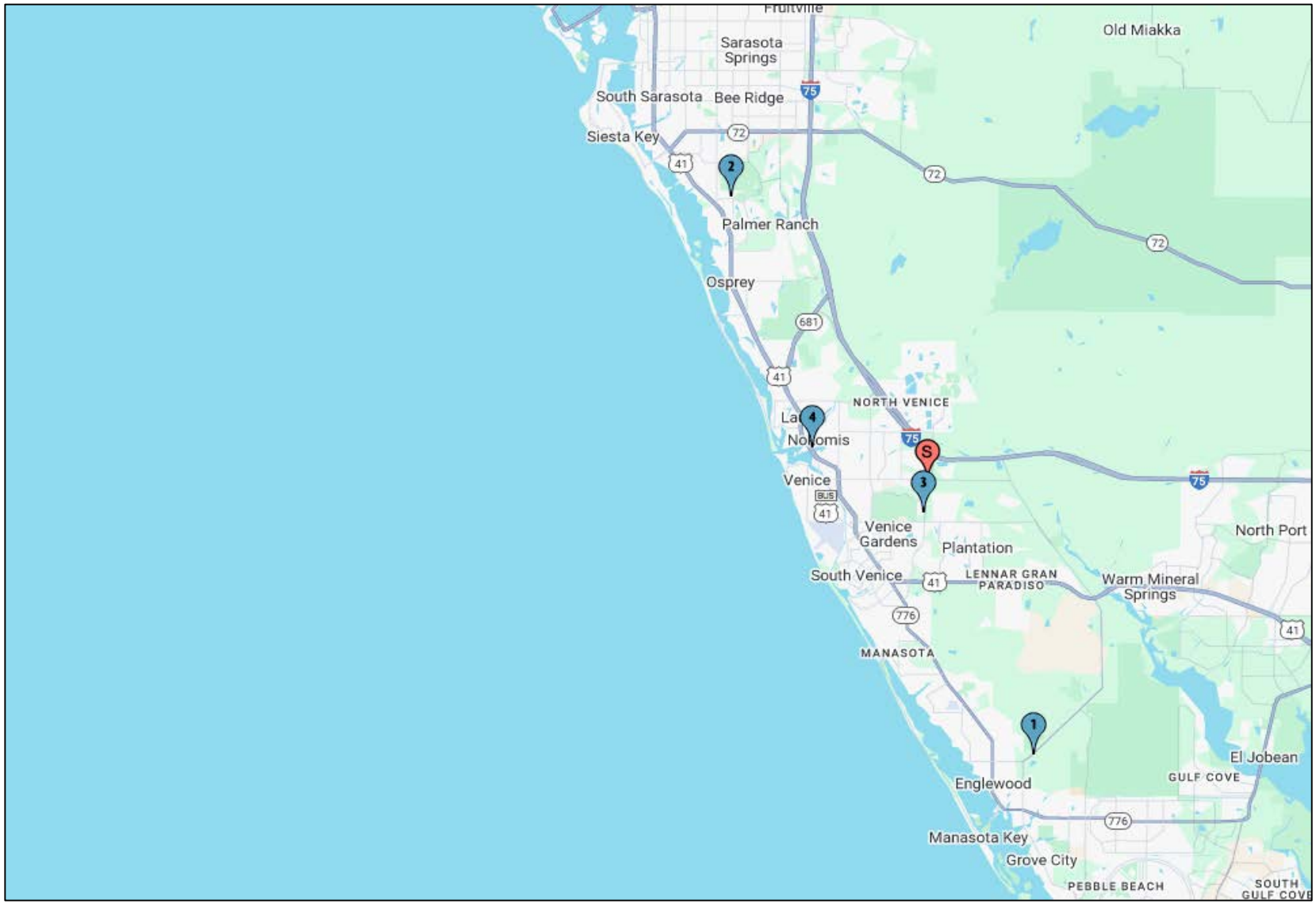
Rental Comparables

We have used local comparable properties as market data in deriving our revenue estimates for the subject. On the following page is a map showing the location of the facilities we compared with the subject, followed by data sheets that provide a detailed overview of each of the comparables. Each of the individual average unit rents currently achieved at the subject will be compared with the projected unit rent in the subsequent analysis.

During our survey of the subject's local market, we spoke with representatives at four facilities. However, representatives at the following properties declined to provide any pertinent information or were unavailable at the time of survey for comment:

- The Goldton at Venice
- Maris Pointe

Rental Comparables Map



Rental Comparable Photographs

Rental Comparable 1

Rental Comparable 2

Rental Comparable 3

Rental Comparable 4

Memory Care Summary						
No.	Property Name Address	No. MC Beds	Year Built Occupancy	Unit Type	Min. Rent	Max. Rent
1	Grand Villa of Englewood 925 S. River Rd Englewood, Florida	54	1984 85%	Semi-private Studio One-bedroom Second Person Fee Community Fees	$3,495 $4,445 $5,825 $750 $2,000	$4,595 $5,295 $5,825 $750 $2,000
2	Heron Club at Prestancia 3749 Sarasota Square Blvd Sarasota, Florida	24	1990 83%	Semi-private Studio Second Person Fee Community Fees	$3,500 $5,500 $1,250 $2,500	$3,500 $5,500 $1,250 $2,500
3	Venice Palms Senior Living 1121 Jacaranda Blvd Venice, Florida	26	1998 90%	Semi-private Studio Community Fees	$5,555 $6,665 $2,500	$5,555 $7,225 $2,500
4	Heartis Venice 1020 N Tamiami Trail Nokomis, Florida	19	2021 100%	Semi-private Studio Community Fees	$7,320 $8,475 $4,000	$7,320 $8,475 $4,000
Subject	Liana of Venice 2321 E Venice Ave Venice, Florida	54	2017 85%	Semi-private Studio Second Person Fee Community Fees	$6,300 $6,500 $2,500 $3,000	$6,300 $10,000 $2,500 $3,000

Revenue Rates

The following charts summarizes the subject's rent roll inclusive quoted and actual (contract) rates. Additionally, rates are shown on a monthly basis unless otherwise stated. The following comparable rate analysis is based on private pay rates as the subject is a 100% private pay facility.

RENT ROLL SUMMARY (AS OF APRIL 2025)
Liana of Venice

	MEMORY CARE								
	Monthly Rates						Occupancy		
	Quoted			In-Place			Occupied		
Unit Type	Low	**Avg**	High	Low	**Avg**	High	Beds	Capacity	Occupancy
Semi-Private	$6,000	**$6,000**	$6,000	$5,677	**$5,813**	$5,948	2	8	25.0%
Studio	$4,275	**$6,086**	$7,250	$650	**$6,448**	$9,180	44	46	95.7%

In comparing the market rents to the subject's rates, we have considered several the following characteristics to determine market rent for the subject's units: unit sizes, facility age/effective age, facility quality, number of meals included in the base rate, and personal care (assisted living and memory care only). As denoted within the following rent summary charts, based on unit type, we have included a comprehensive, subjective qualitative adjustment, or ranking compared to the subject.

Memory Care Rates

The following charts include the asking rates for the subject's memory care component as well as the comparables. Primary weight has been placed on the in-place rents. Our conclusions for each unit type are indicated below:

Semi-Private Units – Memory Care

SEMI-PRIVATE - MEMORY CARE

	Rental Range			Qualitative	Personal Care
Property Name	**Low**	-	**High**	**Adjustment**	**Structure**
Grand Villa of Englewood	$3,495	-	$4,595	Inferior	All-Inclusive
Heron Club at Prestancia	$3,500	-	$3,500	Inferior	All-Inclusive
Venice Palms Senior Living	$5,555	-	$5,555	Similar	All-Inclusive
Heartis Venice	$7,320	-	$7,320	Similar	All-Inclusive
COMPETITION RANGE	**$3,495**	-	**$7,320**	-	-
SUBJECT'S IN PLACE RATES	$5,677	-	$5,948	-	N/A
SUBJECT'S QUOTED RATES	$6,300	-	$6,300	-	All-Inclusive

The comparables indicate a range of asking rates from $3,495 to $7,320 per unit per month. As shown previously on the rent roll analysis, the subject's average actual collection is $5,813 per month. We conclude to $5,900 per month.

Studio Units – Memory Care

STUDIO UNITS - MEMORY CARE					
	Rental Range			Qualitative	Personal Care
Property Name	Low	-	High	Adjustment	Structure
Grand Villa of Englewood	$4,445	-	$5,295	Inferior	All-Inclusive
Heron Club at Prestancia	$5,500	-	$5,500	Inferior	All-Inclusive
Venice Palms Senior Living	$6,665	-	$7,225	Similar	All-Inclusive
Heartis Venice	$8,475	-	$8,475	Similar	All-Inclusive
COMPETITION RANGE	**$4,445**	-	**$8,475**	-	-
SUBJECT'S IN PLACE RATES	$650	-	$9,180	-	N/A
SUBJECT'S QUOTED RATES	$6,500	-	$10,000	-	All-Inclusive

The comparables indicate a range of asking rates from $4,445 to $8,475 per unit per month. As shown previously on the rent roll analysis, the subject's average actual collection is $6,448 per month. We conclude to $6,600 per month which is within the range of the comparables and appears reasonable.

Concessions

Rent concessions, or incentives, provide a good indication of the condition, or strength of current local market. Rent concessions are generally found in markets exhibiting high vacancy and diminished absorption levels, as well as being used by new projects as a part of their overall marketing program. The use of concessions typically stimulates occupancy in response to unforeseen vacancies.

Any concessions within the subject's market are mostly comprised of reduced/negotiable community fees; therefore, we have included consideration for current concessions within our Community Fee conclusion, no additional concessions are forecasted.

Non-Refundable Community Fees

Non-refundable move-in fees are generally referred to as community fees and are common charges in the industry. In some instances, facilities will reduce or waive the community fee as part of an enticement to secure new residents. The reported and budgeted collections and our estimates are shown as follows:

YEAR	COMMUNITY FEES
2023	$76,500
2024	$69,532
T12 (MAY24 - APR25)	$63,000
NEWMARK STABILIZED ESTIMATES	$83,754

The recent *The State of Seniors Housing 2023* report notes median, annual resident turnover rates as follows:

- 43.9% for independent living
- 46.8% for assisted living facilities
- 41.6% for facilities with independent living, assisted living, and memory care
- 52.3% for facilities with assisted living and memory care
- 13.0% for all CCRCs (excluding skilled nursing beds)

In the subject's case, we have estimated an average turnover rate of 55.0% per year for its memory care beds. This equates to 29.70 per year in memory care.

Regarding market pricing for community fees, the comparables report the following marketed community fees:

COMMUNITY FEES		
Property Name	**MC MIN**	**MC MAX**
Grand Villa of Englewood	$2,000	$2,000
Heron Club at Prestancia	$2,500	$2,500
Venice Palms Senior Living	$2,500	$2,500
Heartis Venice	$4,000	$4,000
AVERAGE	**$2,750**	**$2,750**
SUBJECT	$3,000	$3,000

Since full or partial waiver of community fees is typically the first and most common form of concession to be offered, we have considered the current level of concessions in the market within our community fee projection. Considering our projected average community fee collections of $3,000 for memory care, in conjunction with the turnover estimates, this results in total community fee revenue of $83,754.

Additional Personal Care

Many assisted living and memory care residences charge for additional care services above the room and board rate. The subject's rates are all-inclusive and, thus, no additional personal care revenue is forecasted.

Other Revenues

This category includes revenue received from the subject's barber/beauty income, meal and guest fees, food catering (tray services), resident phone revenues, personal fitness charges, health supplies, respite services, etc. The reported and budgeted collections and our estimates are shown as follows:

YEAR	OTHER REVENUE
2023	$17,050
2024	$2,271
T12 (MAY24 - APR25)	$6,394
2025 Budget	$57,400
NEWMARK STABILIZED ESTIMATES	$18,527

As reported and budgeted, the subject's other revenues have ranged from $0.12 PRD to $2.97 PRD with an average of $1.13 PRD. Other revenues are a minor revenue source at the subject property. Our conclusion is based on the historical levels. Therefore, we have estimated these revenues at $1.00 per resident day which equates to a total projection of $18,527 attributable to 'Other' revenue.

Occupancy

When estimating stabilized occupancy for a senior living facility, it is appropriate to consider the historical trends and upcoming changes to the subject's operations and the competitive market. The following chart presents the overall occupancies of the subject and market comparables:

RENT COMPARABLE OCCUPANCIES	
Property Name	**MC Occ.**
Grand Villa of Englewood	85.0%
Heron Club at Prestancia	83.0%
Venice Palms Senior Living	90.0%
Heartis Venice	100.0%
AVERAGE	**89.5%**
SUBJECT	85.2%

Memory Care

The subject's reported and budgeted memory care occupancy has ranged from 80.1% in 2023 to 93.2% in 2024. The rental comparables report a current range of 83.0% to 100.0% with an average of 89.5% while the subject's beds were 85.2% occupied based on its operating capacity of 54 beds. Therefore, we estimate stabilized occupancy for memory care at 94.0%.

A detailed summary of the subject's occupancy as follows:

CENSUS STATISTICS
Liana of Venice

PERIOD	2023	2024	T12 (MAY24 - APR25)	2025 Budget	NEWMARK STABILIZED ESTIMATES
MEMORY CARE BEDS	54	54	54	54	54
DAYS IN PERIOD	365	366	365	365	365
POTENTIAL RESIDENT DAYS	19,710	19,764	19,710	19,710	19,710
ACTUAL RESIDENT DAYS					
MEMORY CARE	15,786	18,419	18,198	19,316	18,527
TOTAL RESIDENT DAYS	15,786	18,419	18,198	19,316	18,527
MC OCCUPANCY	80.1%	93.2%	92.3%	98.0%	94.0%
MEMORY CARE	43.3	50.3	49.9	52.9	50.8

Collection Loss

In review of industry survey information, as well as actual operating data from similar-type facilities, most report collection loss between 0.0% and 2.0%. A prudent investor would include some degree of collection loss in developing a proforma budget. We estimate a collection loss factor based on the subject's operating history. The following chart summarizes our vacancy and collection loss calculations:

AS STABILIZED VACANCY AND COLLECTION LOSS
Liana of Venice

		VACANCY:		Collection Loss:		EFFECTIVE
	POTENTIAL REVENUE	%	AMOUNT	%	AMOUNT	GROSS INCOME
MEMORY CARE (MC)						
Semi-private	$566,400	6.0%	($33,984)	0.50%	($2,662)	$529,754
Studio	$3,643,200	6.0%	($218,592)	0.50%	($17,123)	$3,407,485
MC Rental Revenues	$4,209,600	6.0%	($252,576)	0.50%	($19,785)	$3,937,239
OTHER REVENUES						
Community Fees MC	$89,100	6.0%	($5,346)	0.50%	($419)	$83,335
Ancillary Revenues	$19,710	6.0%	($1,183)	0.50%	($93)	$18,435
Other Revenues	$108,810	6.0%	($6,529)	0.50%	($511)	$101,770
TOTALS	$4,318,410		($259,105)		($20,297)	$4,039,009

Compiled by Newmark

Effective Gross Income

The following table summarizes the projected estimate of income for the subject facility based on the previous findings. The stabilized revenues are based on current collections and reflect what we consider a typical investor would anticipate in Year 1 of stabilized operations.

REVENUE FORECAST
Liana of Venice

Date				6/19/2025
MEMORY CARE RENTAL		**RENT/MONTH**	**BEDS**	**REVENUE**
Semi-private		$5,900	8	$566,400
Studio		$6,600	46	$3,643,200
Memory Care Rental Revenues		$6,496	54	**$4,209,600**
OTHER REVENUES	**NUMBER @**	**RATE**		**REVENUE**
Community Fees MC	29.70 /year @	$3,000 /move-in		$89,100
Ancillary Revenues	19,710 resident days @	$1.00 PRD		$19,710
Other Revenues				**$108,810**
POTENTIAL GROSS INCOME				$4,318,410
Vacancy - Memory Care	6.00%		($252,576)	
Vacancy - Other Revenues	6.00%		($6,529)	
TOTAL VACANCY LOSS				($259,105)
TOTAL NET REVENUES				$4,059,305
COLLECTION LOSS	0.50%			($20,297)
EFFECTIVE GROSS INCOME				**$4,039,009**

[1] *Gross census number is prior to vacancy and collection loss.*

Compiled by Newmark

The following chart illustrates the reported and budgeted EGI relative to our estimate and the expense comparables:

Effective Gross Income

Source	Total	$/PRD Total
Comparables Low	--	$127.48
Comparables High	--	$231.32
Comparables Average	--	$181.09
Subject Operations and Projections	**Total**	**$/PRD**
2023	$3,483,776	$220.68
2024	$3,848,613	$208.95
T12 (MAY24 - APR25)	$3,888,677	$213.68
2025 Budget	$4,061,932	$210.29
NEWMARK STABILIZED ESTIMATES	$4,039,009	$218.00

Our stabilized forecast indicates a significant increase over the subject's historical performance on an aggregate and PRD basis, which is primarily attributed to increases from in-place rates. As each of the revenue and occupancy line items is supported by the comparable and historical data, the corresponding EGI is considered reasonable.

OPERATING EXPENSE ESTIMATES

Our forecast of the subject property's Year 1 stabilized operating expenses was based on a review and analysis of the reported and budgeted operating data for the property and supported by operating expense data for other similar facilities. The operating expenses for a senior living facility such as the subject include relatively significant staffing components. We have separately estimated payroll costs by department as shown in the upcoming departmental reconciliations.

Expense Comparables

Before analyzing the reported and budgeted operating expenses for the subject, we have presented in the following table the operating expense data from several facilities in the region. Like the direct analysis of the subject's operating expenses, the comparable data has been expressed on a per resident day (PRD) cost for each of the categories.

OPERATING EXPENSE COMPARABLES

COMPARABLE:	SUBJECT		COMPARABLE 1		COMPARABLE 2		COMPARABLE 3		COMPARABLE 4		COMPARABLE 5				
STATE:	Florida		Florida		Florida		Florida		Florida		Florida				
UNIT MIX															
MEMORY CARE:	54	100%	58	100%	36	100%	38	100%	78	100%	50	100%			
OCCUPANCY:	94.0%		98.3%		83.1%		97.8%		86.8%		77.4%				
YEAR OF OPERATING DATA	2025		2024		2023		2024		2023		2023				
YEAR TRENDED TO (@ 3%)	2025		2025		2025		2025		2025		2025				
													LOW	AVG	HIGH
EFFECTIVE GROSS INCOME	$218.00		$231.32		$143.78		$187.89		$127.48		$214.97		$127.48	$181.09	$231.32
EXPENSES	PRD[1]	%EGI	PRD[1]	%EGI	PRD[1]	%EGI	PRD[1]	%EGI	PRD[1]	%EGI	PRD[1]	%EGI			
Property Taxes	$4.32	2.0%	$2.90	1.3%	$6.72	4.7%	$4.12	2.2%	$1.97	1.5%	$8.64	4.0%	$1.97	$4.87	$8.64
Insurance	$10.79	5.0%	$7.12	3.1%	$3.92	2.7%	$2.35	1.3%	$1.49	1.2%	$5.31	2.5%	$1.49	$4.04	$7.12
Utilities	$5.30	2.4%	$6.87	3.0%	$4.15	2.9%	$5.03	2.7%	$3.75	2.9%	$8.17	3.8%	$3.75	$5.60	$8.17
Building & Grounds	$5.45	2.5%	$5.46	2.4%	$6.39	4.4%	$6.77	3.6%	$4.37	3.4%	$5.28	2.5%	$4.37	$5.65	$6.77
Administrative	$33.85	15.5%	$33.66	14.6%	$20.60	14.3%	$18.24	9.7%	$19.11	15.0%	$47.17	21.9%	$18.24	$27.76	$47.17
Payroll Taxes & Benefits	$11.48	5.3%	$11.03	4.8%	$4.71	3.3%	$9.02	4.8%	$7.79	6.1%	$17.77	8.3%	$4.71	$10.06	$17.77
Dietary	$16.90	7.8%	$24.96	10.8%	$8.50	5.9%	$16.27	8.7%	$18.65	14.6%	$21.79	10.1%	$8.50	$18.03	$24.96
Housekeeping/Laundry	$4.00	1.8%	$4.65	2.0%	$3.29	2.3%	$7.45	4.0%	$5.26	4.1%	$4.50	2.1%	$3.29	$5.03	$7.45
Resident Care / Nursing	$53.70	24.6%	$50.30	21.7%	$50.92	35.4%	$51.43	27.4%	$26.01	20.4%	$69.13	32.2%	$26.01	$49.56	$69.13
Activities	$3.25	1.5%	$7.29	3.2%	$1.86	1.3%	$3.85	2.1%	$5.99	4.7%	$5.85	2.7%	$1.86	$4.97	$7.29
Management	$10.90	5.0%	$11.57	5.0%	$7.19	5.0%	$9.39	5.0%	$6.37	5.0%	$10.75	5.0%	$6.37	$9.05	$11.57
Reserves	$0.87	0.4%	$0.84	0.4%	$0.99	0.7%	$0.84	0.4%	$0.95	0.7%	$1.06	0.5%	$0.84	$0.93	$1.06
TOTAL OPERATING EXPENSES	$160.81	73.8%	$166.65	72.0%	$119.24	82.9%	$134.78	71.7%	$101.70	79.8%	$205.44	95.6%	$101.70	$145.56	$205.44
NOI	$57.19	26.2%	$64.68	28.0%	$24.54	17.1%	$53.11	28.3%	$25.78	20.2%	$9.54	4.4%	$9.54	$35.53	$64.68

[1] *Per Resident Day*

[2] *Comparable facilities are confidential.*

Compiled by Newmark

The data presented in the previous table will be used to ascertain, where possible, the reasonableness of the subject's reported and budgeted operating expenses from which to conclude to a market level expense projection.

Real Estate Taxes

This cost is for the annual real and personal property tax liability for the subject. The reported and budgeted costs for the subject are shown in the following chart. We have also included the range of costs exhibited by the expense comparables for this cost category.

Real Estate Taxes			
Source	Total	$/PRD Total	% EGI Total
Comparables Low	--	$1.97	1.25%
Comparables High	--	$8.64	4.68%
Comparables Average	--	$4.87	2.74%
Subject Operations and Projections	Total	PRD Total	% EGI Total
2023	$88,522	$5.61	2.54%
2024	$94,634	$5.14	2.46%
T12 (MAY24 - APR25)	$95,486	$5.25	2.46%
2025 Budget	$87,546	$4.53	2.16%
NEWMARK STABILIZED ESTIMATES	$80,000	$4.32	1.98%

Please see the Real Estate Tax section for a detailed analysis.

Insurance

This cost is for the annual professional, property, and liability insurance for the property and excludes auto insurance. The reported and budgeted costs for the subject are shown in the following chart.

Insurance			
Source	Total	$/PRD Total	% EGI Total
Comparables Low	--	$1.49	1.17%
Comparables High	--	$7.12	3.08%
Comparables Average	--	$4.04	2.14%
Subject Operations and Projections	Total	PRD Total	% EGI Total
2023	$143,309	$9.08	4.11%
2024	$198,429	$10.77	5.16%
T12 (MAY24 - APR25)	$199,448	$10.96	5.13%
2025 Budget	$289,021	$14.96	7.12%
NEWMARK STABILIZED ESTIMATES	$200,000	$10.79	4.95%

Our estimate is in-line with the subject's operating history.

Utilities

Utility costs are often very property-specific due to factors such as local rates, construction quality and type, and the equipment used in the property. These expenses include power, water/sewer, and trash service. Cable television and phone service is included within the Administrative expenses for the subject. The comparables have been considered in a similar manner. The subject's reported and budgeted amounts and the comparable data are presented:

Utilities			
Source	Total	$/PRD Total	% EGI Total
Comparables Low	--	$3.75	2.68%
Comparables High	--	$8.17	3.80%
Comparables Average	--	$5.60	3.06%

Subject Operations and Projections	Total	PRD Total	% EGI Total
2023	$96,481	$6.11	2.77%
2024	$96,433	$5.24	2.51%
T12 (MAY24 - APR25)	$97,518	$5.36	2.51%
2025 Budget	$96,278	$4.98	2.37%
NEWMARK STABILIZED ESTIMATES	$98,195	$5.30	2.43%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Building and Grounds

These costs include general repairs and maintenance for the physical plant, supplies and equipment purchases for the facility, grounds maintenance, payroll costs for the maintenance staff, etc. The reported and budgeted costs for the subject, inclusive of the overall costs as well as on a PRD basis, are shown in the following chart. We have also included the range of costs exhibited by the expense comparables for this cost category, on a PRD basis.

Building and Grounds							
					$/PRD		% EGI
Source	Expenses	Salaries	Total	Expenses	Salaries	Total	Total
Comparables Low	--	--	--	$1.97	$0.94	$4.37	2.4%
Comparables High	--	--	--	$6.39	$2.87	$6.77	4.4%
Comparables Average	--	--	--	$3.95	$2.13	$5.65	3.3%

Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$66,412	$54,811	$121,223	$4.21	$3.47	$7.68	3.5%
2024	$57,311	$56,103	$113,414	$3.11	$3.05	$6.16	2.9%
T12 (MAY24 - APR25)	$47,026	$49,156	$96,182	$2.58	$2.70	$5.29	2.5%
2025 Budget	$51,986	$38,063	$90,048	$2.69	$1.97	$4.66	2.2%
NEWMARK STABILIZED ESTIMATES	$50,950	$50,024	$100,974	$2.75	$2.70	$5.45	2.5%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Administrative

General and Administrative costs include the department's payroll costs as well as the property's office supplies, postage, communications (computer and telephone), licenses/permits, dues/subscriptions, travel/meals, transportation, and other costs necessary to run the administrative services. These expenses also include all payroll and supplies costs for marketing and advertisement. The reported and budgeted costs for the subject are presented in the following chart on an overall and PRD basis. The comparable data is shown on a PRD basis.

General and Administrative Expenses							
Operating Period	Expenses	Salaries	Total	$/PRD Expenses	$/PRD Salaries	$/PRD Total	% EGI Total
Comparables Low	--	--	--	$7.91	$6.98	$18.24	9.7%
Comparables High	--	--	--	$25.40	$21.77	$47.17	21.9%
Comparables Average	--	--	--	$14.64	$13.12	$27.76	15.1%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$196,057	$259,332	$455,389	$12.42	$16.43	$28.85	13.1%
2024	$311,385	$343,419	$654,804	$16.91	$18.64	$35.55	17.0%
T12 (MAY24 - APR25)	$334,758	$298,987	$633,744	$18.40	$16.43	$34.82	16.3%
2025 Budget	$342,122	$289,098	$631,220	$17.71	$14.97	$32.68	15.5%
NEWMARK STABILIZED ESTIMATES	$327,009	$300,144	$627,152	$17.65	$16.20	$33.85	15.5%

Administrative expenses at the subject have historically exceeded market comparable levels. Our estimate reflects a balance between the property's historical performance and prevailing market benchmarks.

Payroll Taxes & Benefits

These expenses include all payroll taxes as well as health insurance, workers' compensation, and any other fringe benefits noted on the financial statements. The reported and budgeted costs for the subject are presented in the following chart.

Payroll Taxes and Benefits							
Operating Period	Payroll Taxes	Benefits	Total	Taxes % of Payroll	Benefits % of Payroll	PRD Total	% EGI Total
Comparables Low	--	--	--	--	--	$4.71	3.3%
Comparables High	--	--	--	--	--	$17.77	8.3%
Comparables Average	--	--	--	--	--	$10.06	5.4%
Subject Operations and Projections	Expenses	Salaries	Total	Payroll %	Benefits %	PRD Total	% EGI Total
2023	$195,777	$67,767	$263,544	12.70%	4.40%	$16.69	7.6%
2024	$137,835	$85,943	$223,778	8.34%	5.20%	$12.15	5.8%
T12 (MAY24 - APR25)	$132,290	$80,876	$213,166	8.61%	5.26%	$11.71	5.5%
2025 Budget	$129,912	$79,136	$209,048	8.93%	5.44%	$10.82	5.1%
NEWMARK STABILIZED ESTIMATES	$133,860	$78,741	$212,602	8.50%	5.00%	$11.48	5.3%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Dietary

These costs include raw food costs, as well as kitchen supplies and all payroll costs for the food service staff. The subject's reported and budgeted costs, as well as our forecast for this category, are shown in the following chart; these expenses are included on an overall and PRD basis. We

have also included the range of costs exhibited by the expense comparables for this cost category on a PRD basis.

Dietary Expenses							
Operating Period	Expenses	Salaries	Total	Expenses	$/PRD Salaries	Total	% EGI Total
Comparables Low	--	--	--	$4.21	$1.96	$8.50	5.9%
Comparables High	--	--	--	$19.83	$14.88	$24.96	14.6%
Comparables Average	--	--	--	$10.31	$7.72	$18.03	10.0%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$215,898	$104,874	$320,772	$13.68	$6.64	$20.32	9.2%
2024	$157,733	$142,681	$300,414	$8.56	$7.75	$16.31	7.8%
T12 (MAY24 - APR25)	$147,271	$117,960	$265,230	$8.09	$6.48	$14.57	6.8%
2025 Budget	$180,855	$145,928	$326,783	$9.36	$7.55	$16.92	8.0%
NEWMARK STABILIZED ESTIMATES	$170,452	$142,661	$313,113	$9.20	$7.70	$16.90	7.8%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Housekeeping / Laundry

This category is for all housekeeping and laundry costs, including all housekeeping and laundry supplies and payroll costs. The reported and budgeted costs for the subject, on an annual and PRD basis, are shown in the following chart. We have also included the range of costs exhibited by the expense comparables, on a PRD basis, for this cost category.

Housekeeping/Laundry Expenses							
Operating Period	Expenses	Salaries	Total	Expenses	$/PRD Salaries	Total	% EGI Total
Comparables Low	--	--	--	$0.39	$2.87	$3.29	2.0%
Comparables High	--	--	--	$1.08	$6.48	$7.45	4.1%
Comparables Average	--	--	--	$0.75	$4.29	$5.03	2.9%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$13,128	$54,729	$67,857	$0.83	$3.47	$4.30	1.9%
2024	$5,884	$64,270	$70,154	$0.32	$3.49	$3.81	1.8%
T12 (MAY24 - APR25)	$6,848	$65,950	$72,798	$0.38	$3.62	$4.00	1.9%
2025 Budget	$8,765	$68,332	$77,098	$0.45	$3.54	$3.99	1.9%
NEWMARK STABILIZED ESTIMATES	$8,337	$65,772	$74,110	$0.45	$3.55	$4.00	1.8%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Resident Care / Nursing

This category includes patient care costs, salaries, health supplies, therapy and pharmacy contracts (if applicable), as well as the costs for medical records. The reported and budgeted expenses for the subject, overall annual and PRD basis, are shown in the following chart. We have also included the range of costs exhibited by the expense comparables for this cost category.

Nursing Expenses							
Operating Period	Expenses	Salaries	Total	Expenses	$/PRD Salaries	Total	% EGI Total
Comparables Low	--	--	--	$0.96	$24.30	$26.01	20.4%
Comparables High	--	--	--	$2.69	$67.37	$69.13	35.4%
Comparables Average	--	--	--	$1.65	$47.91	$49.56	27.4%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$26,427	$1,034,817	$1,061,244	$1.67	$65.55	$67.23	30.5%
2024	$29,290	$997,116	$1,026,406	$1.59	$54.14	$55.73	26.7%
T12 (MAY24 - APR25)	$31,284	$952,301	$983,586	$1.72	$52.33	$54.05	25.3%
2025 Budget	$24,677	$858,781	$883,458	$1.28	$44.46	$45.74	21.7%
NEWMARK STABILIZED ESTIMATES	$31,497	$963,425	$994,921	$1.70	$52.00	$53.70	24.6%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Activities

This department is for the activity programs for the residents and includes supplies and payroll costs. The reported and budgeted costs for the subject, on an annual and PRD basis, are shown in the following chart. The following chart also includes the range of costs exhibited by the expense comparables, on a PRD basis, for this departmental category.

Activities Expense							
Operating Period	Expenses	Salaries	Total	Expenses	$/PRD Salaries	Total	% EGI Total
Comparables Low	--	--	--	$0.72	$0.83	$1.86	1.3%
Comparables High	--	--	--	$1.18	$6.11	$7.29	4.7%
Comparables Average	--	--	--	$0.95	$4.02	$4.97	2.8%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$8,301	$33,222	$41,523	$0.53	$2.10	$2.63	1.2%
2024	$7,420	$49,088	$56,508	$0.40	$2.67	$3.07	1.5%
T12 (MAY24 - APR25)	$7,484	$52,025	$59,509	$0.41	$2.86	$3.27	1.5%
2025 Budget	$8,391	$55,154	$63,545	$0.43	$2.86	$3.29	1.6%
NEWMARK STABILIZED ESTIMATES	$7,411	$52,803	$60,214	$0.40	$2.85	$3.25	1.5%

Our estimate is in-line with the subject's operating history.

Replacement Reserves

Replacement reserves are allocated to account for the replacement of roof covering, mechanical systems, furnishings, appliances, etc. Based on our discussions with market participants, most investors and operators budget between $300 and $500 per operating bed per year for replacement reserves. This cost varies substantially depending on the age, quality, and condition of the asset. In the case of the subject and its date of construction, we deducted $300 per operating bed, which equates to a total cost of $16,200, or $0.87 PRD. We have normalized this per-bed amount across the reported and budgeted financial statements and expense comparables.

Management Fees

In reviewing *The State of Seniors Housing 2023,* the average management fee for an independent living facility was 4.6% of total revenues while the average assisted living facility was 4.9% of revenue. Combined independent/assisted living facilities reported an average management fee of 5.0% while combined assisted living/memory care facilities reported an average of 4.9%. Due to their larger size, CCRCs had an average management fee of 4.6%. The respondents across the spectrum of seniors care indicate an overall average of 4.8%.

Management Fees

Source	Total	% EGI Total	Market Total	% EGI Total
Subject Operations and Projections	Total		Normalized	% EGI Total
2023	$197,780	5.68%	$174,189	5.00%
2024	$177,280	4.61%	$192,431	5.00%
T12 (MAY24 - APR25)	$196,635	5.06%	$194,434	5.00%
2025 Budget	$203,097	5.00%	$203,097	5.00%
NEWMARK STABILIZED ESTIMATES	N/A	N/A	$201,950	5.00%

In reconstructing the historical financial statements, we have normalized this expense by excluding any actual historical management fees and adding back the market level of 5.0%.

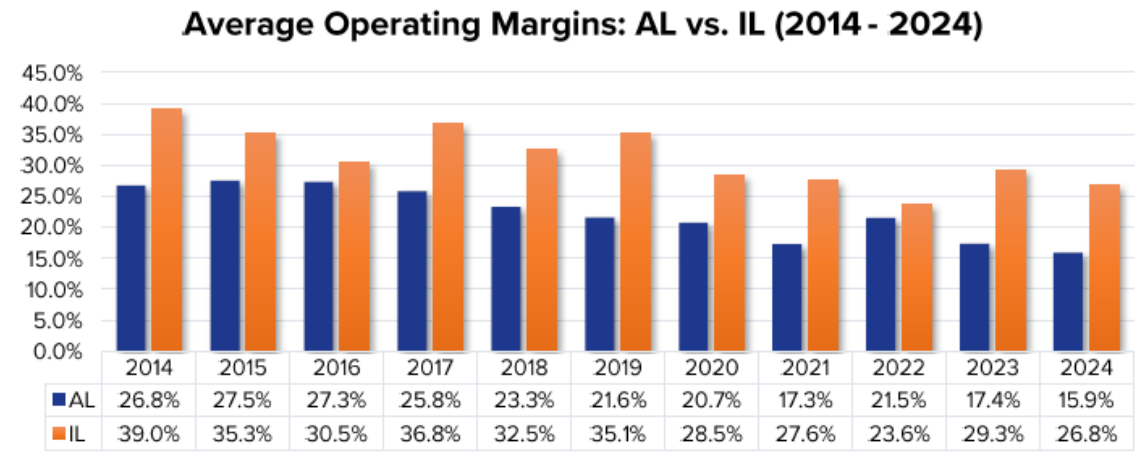
Expense Conclusion

Based on our analysis, we have forecast Year 1 operating expenses for the subject at $2,979,432, or $160.81 PRD (including management fees and replacement reserves). Our forecast, as well as the subject's reported and budgeted costs, and data indicated by the expense comparables, is summarized on the following chart.

Total Operating Expenses

Source	Expenses	Salaries	Total	$/PRD Expenses	$/PRD Salaries	Total	% EGI Total
Comparables Low	--	--	--	$63.82	$37.88	$101.70	71.7%
Comparables High	--	--	--	$85.95	$119.48	$205.44	95.6%
Comparables Average	--	--	--	$66.38	$79.18	$145.56	80.4%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$1,308,466	$1,541,785	$2,850,251	$82.89	$97.67	$180.55	81.8%
2024	$1,390,928	$1,652,676	$3,043,604	$75.52	$89.73	$165.24	79.1%
T12 (MAY24 - APR25)	$1,390,924	$1,536,378	$2,927,302	$76.43	$84.42	$160.86	75.3%
2025 Budget	$1,517,986	$1,455,356	$2,973,341	$78.59	$75.35	$153.93	73.2%
NEWMARK STABILIZED ESTIMATES	$1,404,603	$1,574,829	$2,979,432	$75.81	$85.00	$160.81	73.8%

Our forecast Year 1 stabilized operating expense conclusion for the subject correlates to 73.8% of effective gross income. The expense ratios during the subject's reporting periods range from 73.2% to 81.8% of effective gross income. The comparables indicated a range of operating expense ratios from 71.73% to 95.56% with an average of 80.41% after management fees and replacement reserves.



Source: The Senior Care Acquisition Report, 2025

Based on the comparable facilities as well as published data, our forecast operating expense ratio of 73.8% (including management fees and replacement reserves) falls within industry norms for this type of facility and appears reasonable.

NET OPERATING INCOME CONCLUSION

We have forecast Year 1 stabilized net operating income (NOI) for the subject at $1,059,576, or $57.19 PRD.

Net Operating Income		
Source	Total	$/PRD Total
Comparables Low	--	$9.54
Comparables High	--	$64.68
Comparables Average	--	$35.53
Subject Operations and Projections	Total	$/PRD
2023	$633,525	$40.13
2024	$805,008	$43.71
T12 (MAY24 - APR25)	$961,375	$52.83
2025 Budget	$1,088,591	$56.36
NEWMARK STABILIZED ESTIMATES	$1,059,576	$57.19

Going forward, occupancy is expected to strengthen while the subject's in-place rents are expected to increase. Based on our analysis of the data presented regarding the subject's operations and the comparable properties' operations, our resulting net operating income estimate is well supported by the subject's most recent trends on a per resident day (PRD) basis and the indications of market participants.

The following chart summarizes the revenue, vacancy, and collection loss, as well as operating expense conclusions based on our Year 1 projections.

OPERATING PRO FORMA
Liana of Venice

Premise:	**As Is (Tax Exempt)**			**As Is**		
Date:	**6/19/2025**			**6/19/2025**		
	Total	**$/PRD**	**% EGI**	**Total**	**$/PRD**	**% EGI**
POTENTIAL GROSS INCOME	$4,318,410	$233.08		$4,318,410	$233.08	
VACANCY LOSS	($259,105)	($13.98)		($259,105)	($13.98)	
COLLECTION LOSS	($20,297)	($1.10)		($20,297)	($1.10)	
EFFECTIVE GROSS INCOME	**$4,039,009**	**$218.00**		**$4,039,009**	**$218.00**	
OPERATING EXPENSES						
Property Taxes	$0	$4.32	1.98%	$80,000	$4.32	1.98%
Insurance	$200,000	$10.79	4.95%	$200,000	$10.79	4.95%
Utilities	$98,195	$5.30	2.43%	$98,195	$5.30	2.43%
Building & Grounds	$100,974	$5.45	2.50%	$100,974	$5.45	2.50%
Administrative	$627,152	$33.85	15.53%	$627,152	$33.85	15.53%
Payroll Taxes & Benefits	$212,602	$11.48	5.26%	$212,602	$11.48	5.26%
Dietary	$313,113	$16.90	7.75%	$313,113	$16.90	7.75%
Housekeeping/Laundry	$74,110	$4.00	1.83%	$74,110	$4.00	1.83%
Resident Care / Nursing	$994,921	$53.70	24.63%	$994,921	$53.70	24.63%
Activities	$60,214	$3.25	1.49%	$60,214	$3.25	1.49%
Prior to MF & Reserves	**$2,681,282**	**$149.04**	**66.38%**	$2,761,282	**$149.04**	**68.37%**
OER Prior to MF & Reserves	66.38%			68.37%		
Replacement Reserves	$16,200	$0.87	0.40%	$16,200	$0.87	0.40%
Management Fees	$201,950	$10.90	5.00%	$201,950	$10.90	5.00%
TOTAL EXPENSES	**$2,899,432**	**$160.81**	71.79%	**$2,979,432**	$160.81	73.77%
NET OPERATING INCOME	**$1,139,576**	**$57.19**	28.21%	**$1,059,576**	**$57.19**	26.23%
OPERATING EXPENSE RATIO	**71.79%**			**73.77%**		

Compiled by Newmark

CAPITALIZATION RATE

The capitalization rate is the factor that converts the stabilized net operating income (NOI) to a present value. It is the ratio of net income to value or sale price. In determining an appropriate capitalization rate for the subject property, we have reviewed capitalization rates extracted from the market sale comparables, industry data provided by *The Senior Care Acquisition Report* published by Irvin Levin Associates, Inc., and current findings from our national investor survey. This information is presented in the following pages.

Market Extracted Rates

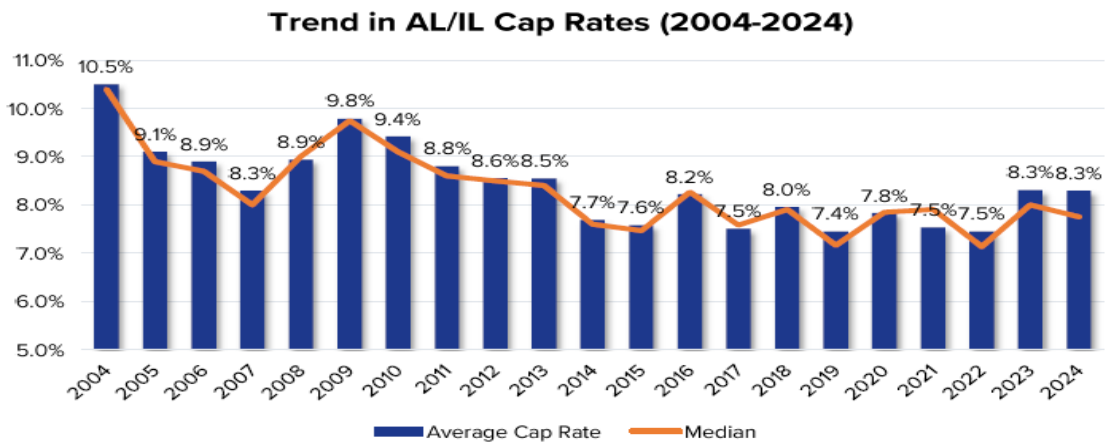
For comparable overall capitalization rates, we searched for recent sales of similar senior housing facilities. The following table includes capitalization rates from extracted from these transactions.

MARKET EXTRACTED CAPITALIZATION RATES

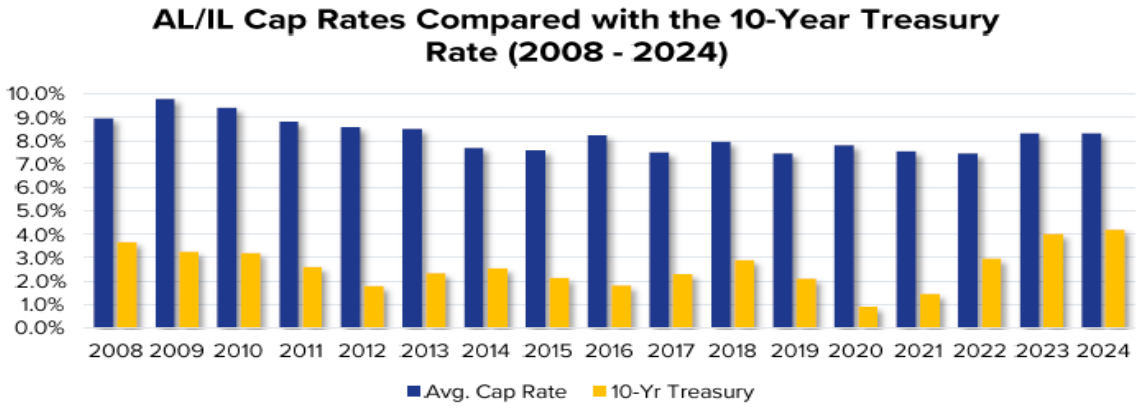
No.	Property Facility Type	Location	Sale Price Sale Date	No. Beds Year Built	NOI	Cap Rate
1	**Palmetto Ridge Assisted Living** Assisted Living Residence with Memory Care	South Carolina	$2,700,000 May-25	91 1968	$199,015	**7.37%**
2	**Countryside Haven** Assisted Living Residence	Florida	$2,700,000 Nov-24	30 1950	$137,031	**5.08%**
3	**Colonial Assisted Living** Assisted Living Residence with Memory Care	Florida	$8,227,475 Aug-24	76 1989	$601,040	**7.31%**
4	**Arbor Oaks at Tyrone** Assisted Living Residence with Memory Care	Florida	$9,050,000 Apr-24	92 1998	$794,046	**8.77%**
5	**The Summit at Lakewood Ranch** Assisted Living Residence with Memory Care	Florida	$27,500,000 Jan-24	117 2016	$2,200,000	**8.01%**
6	**Heartis San Antonio** Assisted Living Residence with Memory Care	Texas	$36,000,000 Jul-23	109 2016	$2,520,000	**7.00%**
7	**Oakland Park ALF** Assisted Living Residence	Florida	$2,550,000 Dec-22	26 1967	$177,225	**6.95%**
8	**Camellia Place** Assisted Living Residence with Memory Care	Georgia	$19,100,000 May-22	96 2016	$992,919	**5.20%**

Industry Survey Data

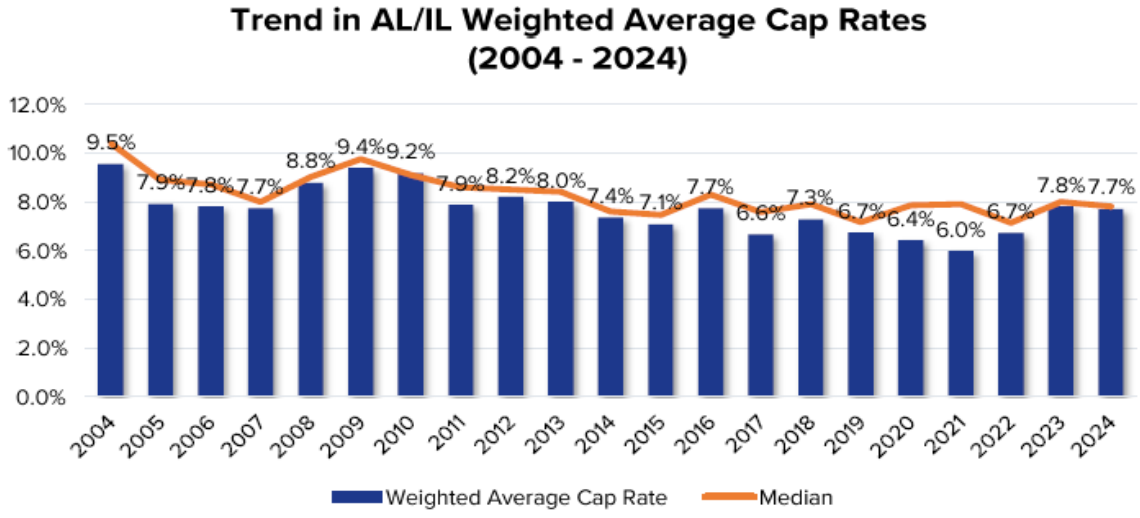
From an industry wide basis, we have referenced average capitalization rate trends as presented in *The Senior Care Acquisition Report 2025*, published by Irvin Levin Associates. This data is presented in the following charts. We note that these capitalization rates are generally shown after 5% management fees for nursing facilities and 6% for independent and/or assisted living communities. Importantly, these capitalization rates do not include expenses for reserves, so these rates overall are somewhat higher than appropriate for comparison to capitalization rates used in our appraisal.



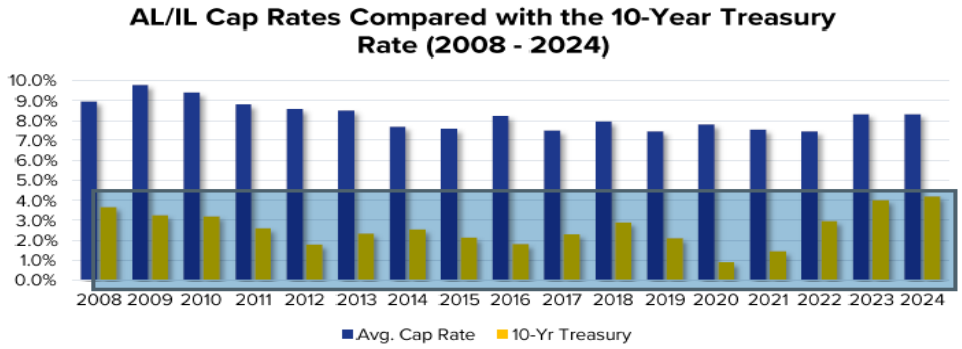
Source: The Senior Care Acquisition Report, 2025



Source: The Senior Care Acquisition Report, 2025



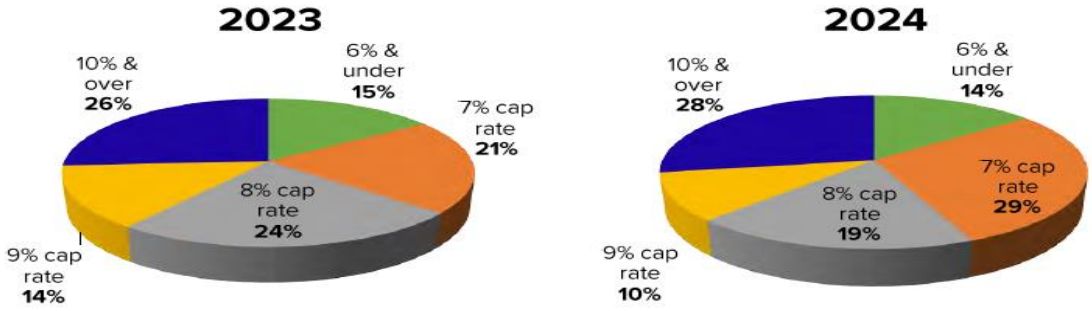
Source: The Senior Care Acquisition Report, 2025



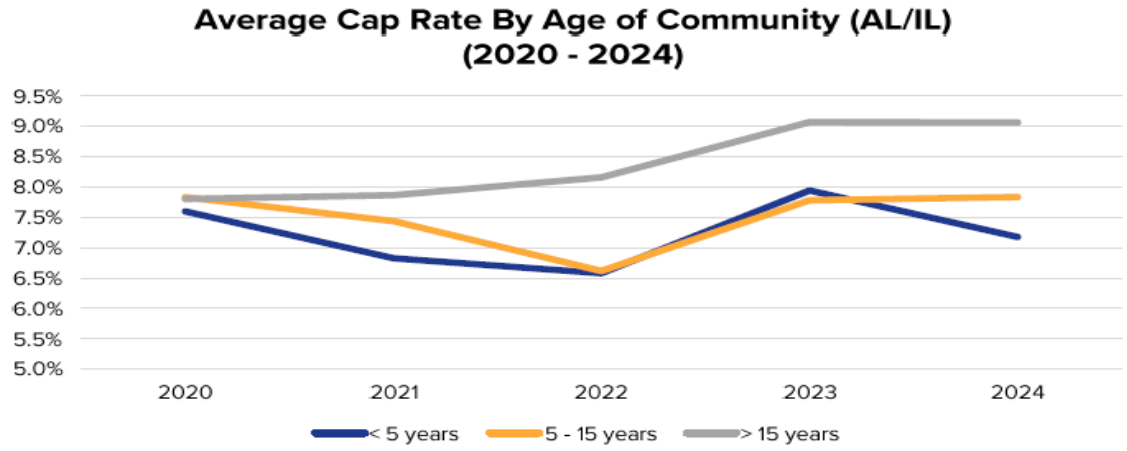
Source: The Senior Care Acquisition Report, 2025

According to *The Senior Care Acquisition Report 2025,* size is also sometimes a factor in the valuation of seniors housing properties, with larger, more institutional communities perceived as safer investments, in general. However, the smallest grouping includes many high-quality, "boutique" memory care communities that can be very profitable and were constructed largely in the last five years. But in 2024, as in previous years, the largest communities had the lowest average cap rate of 7.4%, followed by 8.6% for communities with 50 to 90 units and 9.8% for communities with under 50 units. Larger communities are more capable of absorbing census problems (10 move-outs mean a lot more to a 50-unit community than a 150-unit community) and covering higher labor costs associated with senior living.

Age isn't everything, and the newest community isn't always the best operated one in the market. But it can be a good indicator of value, since there is more of a risk that the baby boomers will reject the traditional seniors housing option, especially those with smaller units, fewer amenities and out-of-date technology. Year over year, there is usually a perfect correlation between age and the cap rates of properties, and that was nearly the case in 2024. The newest properties built less than five years ago sold on average at a 7.2% cap rate, but properties between five and 15 years old averaged 7.8% in 2024. The oldest properties saw their average cap rate remain at 9.1% in 2024.



Source: The Senior Care Acquisition Report, 2025



Source: The Senior Care Acquisition Report, 2025

Newmark Senior Housing Investor Survey

The ability to provide a safe and cost effective option for care in a facility is one of the key reasons why investors knew the seniors housing industry is a stable market with upside as demographic changes drive future demand.

Newmark Valuation & Advisory's Healthcare & Seniors Housing practice is a premier group of real estate professionals focused on the unique requirements and objectives of healthcare providers and senior housing operators. Utilizing extensive interviews and market observations, we provide expert advice to investors, property owners and operators on assets ranging from large, 300-bed hospitals and entrance fee CCRC's to small clinics and free-standing senior housing facilities. Our specialized insight enables our team to align the business operations and real estate functions of a healthcare or senior living facility in order to deliver maximum value to investors and property owners. Assignments have included valuations, market and feasibility studies, and fair market rent surveys for Stark Law compliance. We provide appraisal services to lenders, hospital and senior housing operators, healthcare REITs and private equity firms.

2025 National Rates Comparison - Senior Housing		
Asset Category	**Capitalization Rate**	**Discount Rate**
Independent Living - Class A	5.75%	8.50%
Independent Living - Class B	6.00%	8.75%
Assisted Living / Memory Care - Class A	6.75%	9.50%
Assisted Living / Memory Care - Class B	7.00%	9.75%
Skilled Nursing - Class A	12.00%	14.50%
Skilled Nursing - Class B	12.50%	15.75%
CCRC - Class A	9.50%	12.00%
CCRC - Class B	9.75%	12.25%

Compiled by Newmark

CAPITALIZATION RATE CONCLUSION

In summary, the comparable sales provide a range of 5.08% to 8.77% with an average of 6.96%. Additionally, indications via the published data and our investor survey are summarized below:

The Senior Care Acquisition Report 2025:

- Average capitalization rate of 7.10% for independent living facilities
- Average capitalization rate of 8.60% for assisted living facilities
- Average capitalization rate of 12.20% for skilled nursing facilities
- Average capitalization rate of 8.90% for CCRCs

In determining a capitalization rate for the subject property, we have taken into account its overall age and condition, occupancy history, census and quality mix, state regulatory environment, market positioning, and investment criteria. The subject is an established memory care residence with a good history of operating performance, is well located within its market area, and appears to have a good reputation. In consideration of the presented data, we have concluded a capitalization rate for the subject property of 7.00%.

DIRECT CAPITALIZATION CONCLUSION

This indicates a value for the subject in “As Is” condition, via the income capitalization approach, of $15,100,000, with an effective date of June 19, 2025. This indicates a value for the subject in “As Is - Tax Exempt”, via the income capitalization approach, of $16,300,000, with an effective date of June 19, 2025. A summary of our calculations is shown in the following summary.

DIRECT CAPITALIZATION METHOD						
Premise:	**As Is (Tax Exempt)**			**As Is**		
Date:	**6/19/2025**			**6/19/2025**		
	Value	**$/Bed**	**$/Unit**	**Value**	**$/Bed**	**$/Unit**
Net Operating Income (NOI):	$1,139,576			$1,059,576		
Low Range Capitalization Rate 6.75%	$16,882,613	$312,641	$337,652	$15,697,428	$290,693	$313,949
Most Likely Capitalization Rate 7.00%	$16,279,663	$301,475	$325,593	$15,136,805	$280,311	$302,736
High Range Capitalization Rate 7.25%	$15,718,295	$291,080	$314,366	$14,614,847	$270,645	$292,297
Concluded Value (NOI/Cap Rate):	$16,279,663	$301,475	$325,593	$15,136,805	$280,311	$302,736
Rounded:	**$16,300,000**	**$301,852**	**$326,000**	**$15,100,000**	**$279,630**	**$302,000**

Reconciliation of Value

The values indicated by our analyses are as follows:

Value Premises	Effective Date	Sales Comparison	Income Capitalization	Conclusion
As Is (TAB)	June 19, 2025	$15,100,000	$15,100,000	**$15,100,000**
As Is (TAB) - Tax Exempt	June 19, 2025	—	$16,300,000	**$16,300,000**

Sales Comparison Approach

The Sales Comparison Approach indicates a value estimate based on recent sales transactions involving senior housing facilities in the subject's region. The improved sales were adjusted for location, age, size, date of sale, amenities, and other physical plant features. Investors typically utilize improved sales to cross check price points per effective unit and the implied capitalization rates. Many of the healthcare investors we interviewed felt that the Sales Comparison Approach does provide an accurate reflection of market conditions for senior housing assets and is given significant weight in their reconciliation process when they analyze an investment opportunity.

The improved sales reflect current market conditions and were deemed comparable to the subject property. As such, the Sales Comparison Approach was concluded to provide a reasonable value conclusion and was considered in the final value reconciliation process.

Income Capitalization Approach

The Income Capitalization Approach is generally considered a very good indicator of market value for a senior housing asset given that most senior housing transactions involve the sale of the going concern. Most healthcare investors believe that the Income Capitalization Approach adequately reflects the value of the subject as a going concern because it factors operating income, staffing expenses, resident care expenses, goodwill, and overall operational issues into the indicated value. The income approach utilizes market derived capitalization rates, comparable rentals, actual staffing expenses, operating expense comparables, and a healthcare industry survey to support the indicated value.

Only direct capitalization was utilized in this approach. As the subject is a well-performing business with positive reported NOI at stable and reasonable levels, the income approach was given primary consideration in our reconciliation of value.

MARKET VALUE AS IS - (TAB)

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, we have developed an opinion that the “As Is” market value of the total assets of the business (TAB) including real and personal property of this specific asset in Fee Simple interest, as of June 19, 2025, was:

$15,100,000

Our concluded value is allocated as follows:

ALLOCATION CONCLUSION - AS IS	
Component	**Allocated Value**
Market Value (TAB)	$15,100,000
Allocated Value of Real Property	$13,600,000
Allocated Value of FF&E	$400,000
Allocated Value of the Intangibles	$1,100,000

AS IF TAX EXEMPT - (TAB)

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, we have developed an opinion that the “As if Tax Exempt” value of the total assets of the business (TAB) including real and personal property, as of June 19, 2025, will be:

$16,300,000

ALLOCATION CONCLUSION - AS IF TAX EXEMPT	
Component	**Allocated Value**
Market Value (TAB)	$16,300,000
Allocated Value of Real Property	$14,600,000
Allocated Value of FF&E	$400,000
Allocated Value of the Intangibles	$1,300,000

EXPOSURE TIME

Exposure time is the estimated length of time the subject property would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. It is a retrospective estimate based on an analysis of past events assuming a competitive and open market.

Recent sales transaction data for similar properties, supply and demand characteristics for the senior healthcare market, and the opinions of local market participants were reviewed and analyzed. Based on this data and analysis, it is our opinion that the probable exposure time for the subject at the concluded market values stated previously is 9 months.

MARKETING TIME

Marketing time is an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. Accordingly, we estimate the subject's marketing period at 9 months.

PERSONAL PROPERTY ALLOCATION

Included in the estimate of market value is the contributing value of the personal property or the furnishings, fixtures and equipment (FF&E). FF&E is generally considered to be part of a memory care residence and is typically sold with the building. It is therefore considered to be a part of the property's total value. FF&E includes the individual unit and public area furnishings, kitchen equipment, service/maintenance equipment and other machinery. We estimated the value of the FF&E as new to be $409,860, including a 10.0% factor for soft costs and 15.0% for entrepreneurial profit.

Physical deterioration (depreciation) must be deducted for the FF&E. Based on our physical inspection of the property, we are of the opinion that the existing personal property is currently in above average physical condition. We have estimated an effective age for the FF&E at 1 years. As we have estimated that the subject's FF&E has a useful life of 10 years, this equates to 10% depreciation factor, as summarized in the following table.

FURNITURE, FIXTURES AND EQUIPMENT (FF&E)

	No. Operating Beds	Cost ($/Bed)	Cost Factors	Totals
FF&E	54	$6,000		$324,000
Indirect Costs			10.00%	$32,400
Subtotal:				$356,400
Entrepreneurial Incentive			15.00%	$53,460
Total Value of FF&E As New				$409,860
Physical Life (Yrs)				10
Effective Age (Yrs)				1
Percent Depreciated				10.0%
Percent Value Remaining				90.0%
Depreciated Value				$368,874
Rounded				**$400,000**

The contributing value of the FF&E is considered to be the cost of the FF&E less its accrued depreciation. This equates to a depreciated value of $400,000 rounded.

INTANGIBLE ASSETS ALLOCATION

Senior living facilities are undisputedly a combination of business and real estate; the day-to-day operation of a senior living facility may include an intangible property component over and above the real estate value. The intangible property may reflect reputation, work force, contracts, copyrights, patents, trademarks, or residual income. The intangible property component is typically referred to as “business enterprise value.”

In the valuation of the total assets of the business, appraisers are required to separately allocate the value of the real property, Furniture, Fixtures and Equipment (FF&E), and the intangibles in order not to be misleading to a reader of the appraisal report.

In the last several years, real estate appraisers have begun to utilize a variety of methods such as debt service coverage ratios, market leases for real estate, and net operating income allocations for business operations to determine the intangible allocation. There are pros and cons to each of the alternatives and there is no clear agreement on the most appropriate method. In fact, the courses related to teaching these allocation methods are taught as "suggestions only" and not as specific requirements to be used in going concern appraisals.

For the purposes of our allocations, we have employed the lease coverage method.

Lease Coverage Method: In estimating the Market Value of the Intangibles, we have considered typical lease agreements for senior housing and care properties. Real Estate Investment Trusts (REITs) specializing in senior housing assets generally structure leases to represent a return on the real property position. Leases are structured to provide a margin of security to the leased fee position, as well as to allow for a return to the operator.

Based upon a review of lease transactions in the senior housing sector and our discussions with market participants, leases are typically structured with Lease Coverage Ratios ranging from 1.10 to 1.60, depending on the location, asset quality, size and operating characteristics of a given property. For a facility of similar size and quality to the subject, a lease coverage ratio within the middle portion of the market range is appropriate. Therefore, we have estimated a lease coverage ratio of 1.30 for the subject property. From the stabilized net operating income estimated for the subject property, a net return to the real property can be deduced by means of relying on a lease coverage ratio analysis.

Due to their long lived nature, real property is generally considered to contain less overall risk than FF&E or intangible assets. We have capitalized the estimated net operating income attributable to the real property at a rate that is 100 basis points below the overall capitalization rate selected for the going concern valuation, resulting in a capitalization rate of 6.00% (real estate only). Finally, deducting the resultant allocation to the real estate and FF&E value from the concluded going concern value yields a residual allocation to the intangibles via the Lease

Coverage Method. Our allocations through this method are presented in the following charts for each value premise:

AS IS - ALLOCATION VIA LEASE COVERAGE METHOD		
Component		**Calculations**
Net Operating Income (Year 1) (Going Concern)		$1,059,576
Divided by Lease Coverage Ratio	÷	1.30
Net Operating Income (Real Estate Position)		$815,059
Divided by Capitalization Rate (Real Estate)	÷	6.00%
Real Property Allocation		$13,584,313
Real Property Allocation (Rounded)		**$13,600,000**

AS IF TAX EXEMPT - ALLOCATION VIA LEASE COVERAGE METHOD		
Component		**Calculations**
Net Operating Income (Year 1) (Going Concern)		$1,139,576
Divided by Lease Coverage Ratio	÷	1.30
Net Operating Income (Real Estate Position)		$876,597
Divided by Capitalization Rate (Real Estate)	÷	6.00%
Real Property Allocation		$14,609,954
Real Property Allocation (Rounded)		**$14,600,000**

The individual lease coverage allocations are summarized within the following charts:

LEASE COVERAGE - AS IS	
Component	**Allocated Value**
Market Value (TAB)	$15,100,000
Allocated Value of Real Property	$13,600,000
Allocated Value of FF&E	$400,000
Allocated Value of the Intangibles	$1,100,000

ALLOCATION CONCLUSION - AS IF TAX EXEMPT	
Component	**Allocated Value**
Market Value (TAB)	$16,300,000
Allocated Value of Real Property	$14,600,000
Allocated Value of FF&E	$400,000
Allocated Value of the Intangibles	$1,300,000

Assumptions and Limiting Conditions

The Appraisal contained in this Report (herein "Report") is subject to the following assumptions and limiting conditions:

1. Unless otherwise stated in this report, title to the property which is the subject of this report (herein "Property") is assumed to be good and marketable and free and clear of all liens and encumbrances and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. No responsibility is assumed for the legal description, zoning, condition of title or any matters which are legal in nature or otherwise require expertise other than that of a professional real estate appraiser. This report shall not constitute a survey of the Property.

Unless otherwise stated in this report, it is assumed: that the improvements on the Property are structurally sound, seismically safe and code conforming; that all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; that the roof and exterior are in good condition and free from intrusion by the elements; that the Property and improvements conform to all applicable local, state, and federal laws, codes, ordinances and regulations including environmental laws and regulations. No responsibility is assumed for soil or subsoil conditions or engineering or structural matters. The Property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report is based, unless otherwise stated. The physical condition of the Property reflected in this report is solely based on a visual inspection as typically conducted by a professional appraiser not someone with engineering expertise. Responsible ownership and competent property management are assumed.

Unless otherwise stated in this report, this report did not take into consideration the existence of asbestos, PCB transformers or other toxic, hazardous, or contaminated substances or underground storage tanks, or the cost of encapsulation, removal or remediation thereof. Real estate appraisers are not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater or other potentially hazardous materials and substances may adversely affect the value of the Property. Unless otherwise stated in this report, the opinion of value is predicated on the assumption that there is no such material or substances at, on or in the Property.

All statements of fact contained in this report as a basis of the analyses, opinions, and conclusions herein are true and correct to the best of the appraiser's actual knowledge and belief. The appraiser is entitled to and relies upon the accuracy of information and material furnished by the owner of the Property or owner's representatives and on information and data provided by sources upon which members of the appraisal profession typically rely and that are deemed to be reliable by such members. Such information and data obtained from third party sources are assumed to be reliable and have not been independently verified. No warranty is made as to the accuracy of any of such information and data. Any material error in any of the said information or data could have a substantial impact on the conclusions of this Report. The appraiser reserves the right to amend conclusions reported if made aware of any such error.

The opinion of value stated in this report is only as of the date of value stated in this report. An appraisal is inherently subjective and the conclusions stated apply only as of said date of value, and no representation is made as to the effect of subsequent events. This report speaks only as of the date hereof.

Any projected cash flows included in the analysis are forecasts of estimated future operating characteristics and are predicated on the information and assumptions contained within this report. Any projections of income, expenses and economic conditions utilized in this report are not predictions of the future. Rather, they are estimates of market expectations of future income and expenses. The achievement of any financial projections will be affected by fluctuating economic conditions and is dependent upon other future occurrences that cannot be assured. Actual results may vary from the projections considered herein. There is no warranty or assurances that these forecasts will occur. Projections may be affected by circumstances beyond anyone's knowledge or control. Any income and expense estimates contained in this report are used only for the purpose of estimating value and do not constitute predictions of future operating results.

The analyses contained in this report may necessarily incorporate numerous estimates and assumptions regarding Property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by the analysis will vary from estimates, and the variations may be material.

All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraphs, several events may occur that could substantially alter the outcome of the estimates such as, but not limited to changes in the economy, interest rates, capitalization rates, behavior of consumers, investors and

lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. In making prospective estimates and forecasts, it is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. This report shall be considered only in its entirety. No part of this report shall be utilized separately or out of context.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the Firm. Possession of this report, or a copy hereof, does not carry with it the right of publication.

Client and any other Intended User identified herein should consider this report and the opinion of value contained herein as only one factor together with its own independent considerations and underwriting guidelines in making any decision or investment or taking any action regarding the Property. Client agrees that Firm shall not be responsible in any way for any decision of Client or any Intended User related to the Property or for the advice or services provided by any other advisors or contractors. The use of this report and the appraisal contained herein by anyone other than an Intended User identified herein, or for a use other than the Intended Use identified herein, is strictly prohibited. No party other than an Intended User identified herein may rely on this report and the appraisal contained herein.

Unless otherwise stated in the agreement to prepare this report, the appraiser shall not be required to participate in or prepare for or attend any judicial, arbitration, or administrative proceedings.

The Americans with Disabilities Act (ADA) became effective January 26, 1992. No survey or analysis of the Property has been made in connection with this report to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. No expertise in ADA issues is claimed, and the report renders no opinion regarding the Property's compliance with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

Acceptance and/or use of this report constitutes full acceptance of these Assumptions and Limiting Conditions and any others contained in this report, including any Extraordinary

Assumptions and Hypothetical Conditions, and is subject to the terms and conditions contained in the agreement to prepare this report and full acceptance of any limitation of liability or claims contained therein.

Americans with Disabilities Act (ADA) of 1990

A civil rights act passed by Congress guaranteeing individuals with disabilities equal opportunity in public accommodations, employment, transportation, government services, and telecommunications. Statutory deadlines become effective on various dates between 1990 and 1997. We have not made a determination regarding the subject's ADA compliance or non-compliance. Non-compliance could have a negative impact on value; however, this has not been considered or analyzed in this appraisal.

Addendum A

Glossary of Terms

The following definitions are derived from The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015).

Absorption Period: The actual or expected period required from the time a property, group of properties, or commodity is initially offered for lease, purchase, or use by its eventual users until all portions have been sold or stabilized occupancy has been achieved.

Absorption Rate: 1) Broadly, the rate at which vacant space in a property or group of properties for sale or lease has been or is expected to be successfully sold or leased over a specified period of time. 2) In subdivision analysis, the rate of sales of lots or units in a subdivision.

Ad Valorem Tax: A tax levied in proportion to the value of the thing(s) being taxed. Exclusive of exemptions, use-value assessment provisions, and the like, the property tax is an ad valorem tax. (International Association of Assessing Officers [IAAO])

As Is Market Value: The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Interagency Appraisal and Evaluation Guidelines) Note that the use of the "as is" phrase is specific to appraisal regulations pursuant to FIRREA applying to appraisals prepared for regulated lenders in the United States. The concept of an "as is" value is not included in the Standards of Valuation Practice of the Appraisal Institute, Uniform Standards of Professional Appraisal Practice, or International Valuation Standards.

Assessed Value: The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value.

Cash Equivalency: An analytical process in which the sale price of a transaction with nonmarket financing or financing with unusual conditions or incentives is converted into a price expressed in terms of cash or its equivalent.

Contract Rent: The actual rental income specified in a lease.

Disposition Value: The most probable price that a specified interest in property should bring under the following conditions: 1) Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market. 2) The property is subjected to market conditions prevailing as of the date of valuation. ***3)*** Both the buyer and seller are acting prudently and knowledgeably. 4) The seller is under compulsion to sell. 5) The buyer is typically motivated. 6) Both parties are acting in what they consider to be their best interests. 7) An adequate marketing effort will be made during the exposure time. 8) Payment will be made in cash in US dollars (or the local currency) or in terms of financial arrangements comparable thereto. 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales

concessions granted by anyone associated with the sale. This definition can also be modified to provide for valuation with specified financing terms.

Effective Rent: Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord.

Excess Land: Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. See also ***surplus land.***

Excess Rent: The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties.

Exposure Time: 1) The time a property remains on the market. 2) [The] estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

Extraordinary Assumption: An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. See also ***hypothetical condition.***

Fee Simple Estate: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Floor Area Ratio (FAR): The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area.

Frictional Vacancy: The amount of vacant space needed in a market for its orderly operation. Frictional vacancy allows for move-ins and move-outs.

Full Service Lease: See ***gross lease.***

General Vacancy: A method of calculating any remaining vacancy and collection loss considerations when using discounted cash flow (DCF) analysis, where turnover vacancy has been used as part of the income estimate. The combined effects of turnover vacancy and general vacancy relate to total vacancy and collection loss.

Going-Concern Premise: One of the premises under which the total assets of a business can be valued; the assumption that a company is expected to continue operating well into the future (usually indefinitely).

Going Concern Value: An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the market value of the going concern or market value of the total assets of the business.

Gross Building Area (GBA): 1) Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved. 2) Gross leasable area plus all common areas. 3) For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space.

Gross Lease: A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called full-service lease.

Hypothetical Condition: 1) A condition that is presumed to be true when it is known to be false. (Appraisal Institute: The Standards of Valuation Practice [SVP]) 2) A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. See also ***extraordinary assumption.***

Intended Users: 1) The party or parties the valuer intends will use the report. (SVP) 2) The client and any other party as identified, by name or type, as users of the appraisal or appraisal review report by the appraiser on the basis of communication with the client at the time of the assignment. (USPAP, 2016-2017 ed.)

Investment Value: 1) The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.
2) The value of an asset to the owner or a prospective owner for individual investment or operational objectives. (International Valuation Standards [IVS])

Land-to-Building Ratio: The proportion of land area to gross building area; one of the factors determining comparability of properties.

Lease: A contract in which the rights to use and occupy land, space, or structures are transferred by the owner to another for a specified period of time in return for a specified rent.

Leased Fee Interest: The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

Leasehold Interest: The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

Lessee: One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement.

Lessor: One who conveys the rights of occupancy and use to others under a lease agreement.

Liquidation Value: The most probable price that a specified interest in property should bring under the following conditions: 1) Consummation of a sale within a short time period. 2) The property is subjected to market conditions prevailing as of the date of valuation. 3) Both the buyer and seller are acting prudently and knowledgeably. 4) The seller is under extreme compulsion to sell. 5) The buyer is typically motivated. 6) Both parties are acting in what they consider to be their best interests. 7) A normal marketing effort is not possible due to the brief exposure time. 8) Payment will be made in cash in US dollars (or the local currency) or in terms of financial arrangements comparable thereto. 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. This definition can also be modified to provide for valuation with specified financing terms.

Market Rent: The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).

Market Value: A type of value that is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined, such as the following. 1) The most widely accepted components of market value are incorporated in the following definition: The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress. 2) Market value is described, not defined, in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows: A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of

such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal. [2]

Market Value of the Going Concern: The market value of an established and operating business including the real property, personal property, financial assets, and the intangible assets of the business.

Marketing Time: An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.

Modified Gross Lease: A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a double net lease, net net lease, partial net lease, or semi-gross lease.

Net Lease: A lease in which the landlord passes on all expenses to the tenant. See also ***gross lease; modified gross lease.***

Net Net Net Lease: An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called NNN lease, triple net lease, or fully net lease.

Occupancy Rate: 1) The relationship or ratio between the potential income from the currently rented units in a property and the income that would be received if all the units were occupied.
2) The ratio of occupied space to total rentable space in a building.

Overage Rent: The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakpoint sales volume.

Percentage Rent: Rental income received in accordance with the terms of a percentage lease; typically derived from retail store and restaurant tenants and based on a certain percentage of their gross sales.

Prospective Market Value "As Completed" and "As Stabilized": A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with

[2] The actual definition of value used for this appraisal is contained within the body of the report. The definition of market value given above is general in viewpoint and is only provided for amplification.

a prospective market value reflects an effective date that is subsequent to the date of the appraisal report. Prospective value opinions are intended to reflect the current expectations and perceptions of market participants, based on available data. Two prospective value opinions may be required to reflect the time frame during which development, construction, and occupancy will occur. The prospective market value—as completed— reflects the property's market value as of the time that development is expected to be completed. The prospective market value—as stabilized— reflects the property's market value as of the time the property is projected to achieve stabilized occupancy. For an income-producing property, stabilized occupancy is the occupancy level that a property is expected to achieve after the property is exposed to the market for lease over a reasonable period of time and at comparable terms and conditions to other similar properties. (See USPAP Statement 4* and Advisory Opinion 17.) (Interagency Appraisal and Evaluation Guidelines)

Prospective Opinion of Value: A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

Rentable Area: For office or retail buildings, the tenant's pro rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to the areas below. The rentable area of a floor is computed by measuring to the inside finished surface of the dominant portion of the permanent building walls, excluding any major vertical penetrations of the floor. Alternatively, the amount of space on which the rent is based; calculated according to local practice.

Retrospective Value Opinion: A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."

Shell Rent: The typical rent paid for retail, office, or industrial tenant space based on minimal "shell" interior finishes (called vanilla finish or white wall finish in some areas). Usually the landlord delivers the main building shell space or some minimum level of interior build-out, and the tenant completes the interior finish, which can include wall, ceiling, and floor finishes, mechanical systems, interior electricity, and plumbing. Typically these are long-term leases with tenants paying all or most property expenses.

Surplus Land: Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an

independent highest and best use and may or may not contribute value to the improved parcel. See also ***excess land.***

Turnover Vacancy: A method of calculating vacancy allowance that is estimated or considered as part of the potential income estimate when using discounted cash flow (DCF) analysis. As units or suites turn over and are available for re-leasing, the periodic vacancy time frame (vacancy window) to release the space is considered.

Usable Area: 1) For office buildings, the actual occupiable area of a floor or an office space; computed by measuring from the finished surface of the office side of corridor and other permanent walls, to the center of partitions that separate the office from adjoining usable areas, and to the inside finished surface of the dominant portion of the permanent outer building walls. Sometimes called net building area or net floor area. See also floor area. 2) The area that is actually used by the tenants measured from the inside of the exterior walls to the inside of walls separating the space from hallways and common areas.

Use Value: The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Use value may or may not be equal to market value but is different conceptually. See also ***value in use.***

Value In Use: The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually. See also ***use value.***

Value Indication: A valuer's conclusion of value resulting from the application of an approach to value, e.g., the value indication by the sales comparison approach.

Addendum B

Engagement Letter

May 29, 2025

Peter Czajkowski
Director of Public Finance
STIFEL, NICOLAUS & COMPANY, INCORPORATED
501 N. Broadway, St. Louis, MO 63102

Phone: 314-602-8823
Email: czajkowp@stifel.com

Re: Appraisal of the property described as:
Liana of Venice - 2321 E Venice Ave, Venice, FL 34292
The Fairways at Naples - 3053 Airport-Pulling Rd N, Naples, FL
White Cliffs Senior Living - 3600 Peterson Rd, Kingman, AZ 86409 34105
Restoration Senior Living - 1444 Andrew Dr, Covington, LA 70433 ("**Properties**")

Dear Mr. Czajkowski:

Newmark Valuation & Advisory, LLC ("**Firm**") agrees to provide Stifel, Nicolaus & Company, Incorporated ("**Client" or "Stifel"**) an appraisal of the above Property in accordance with, and subject to, the terms and conditions set forth below and in the attached Schedules (collectively, the "**Agreement**").

APPRAISAL FEE:	$11,000.00 (inclusive of expenses).
ADDITIONAL HOURLY FEES:	None
RETAINER:	$5,500.00 with the return of this letter signed by the Client.
REPORT DELIVERABLES:	The appraisal, draft and/or final, shall be delivered in electronic format (typically, pdf). One original hard copy of the final appraisal will be provided to Client upon request.
COMMENCEMENT AND DELIVERY DATE:	Delivery is as follows: Final appraisal report: three (3) weeks The appraisal process will commence upon receipt by the Firm of (i) this Agreement, signed by Client, (ii) the retainer, and (iii) information and

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	materials identified in Schedule "B." The appraisal process will conclude upon delivery of the final appraisal report, unless terminated sooner by the Firm or Client or as provided herein.
REPORT TYPE:	Appraisal Report
VALUATION PREMISE:	Market Value
INTEREST IN THE PROPERTY APPRAISED:	Fee Simple Estate
DATE(S) OF VALUE:	Current as of: the Date of the Report Prospective as of: the Date(s) of Stabilization Current tax exempt as of: the Date of the Report
INTENDED USER(S):	Intended users of the appraisal include only Stifel and the not-for-profit designated purchaser of the properties ("**Intended User(s)**"), and no other party is permitted to use or rely on the appraisal. The identification of Intended User(s) of the appraisal is to determine the type and extent of research, analysis and reporting appropriate for the assignment. Designation of a party other than Client as an Intended User is not intended to confer upon such party any rights under this Agreement.
INTENDED USE:	The intended use of the appraisal is to be included within offering materials inconnection with the sale of securities to finance the acquisition of the Properties ("**Intended Use**") and no other use. The Firm will provide its consent to the Intended Use contingent only upon review of such offering materials to ensure use of appropriate language associated with references to the Appraisal.
RELIANCE LANGUAGE:	None
GUIDELINES:	The analyses, opinions and conclusions are to be developed based on, and the appraisal will be prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) as published by the Appraisal Foundation.
SCOPE OF WORK:	The appraiser will use and properly apply all applicable and appropriate approaches to value sufficient to produce credible assignment results. The scope of the analysis will be appropriate for the appraisal problem.
APPRAISAL REPORT SIGNATORY:	Patrick Murphy

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ASSUMPTIONS/ LIMITING CONDITIONS:	The appraisal will be subject to Firm's standard Assumptions and Limiting Conditions, which will be incorporated into the appraisal report. In addition, the appraisal may be subject to, and the appraisal report may contain, Extraordinary Assumptions and Hypothetical Conditions.
ACCEPTANCE:	This shall constitute a binding agreement only if countersigned by the Client, or by an officer, director or other representative of Client who, by signing and accepting this Agreement, represents and warrants that he/she is authorized by Client to do so.
PAYMENT:	Client will be invoiced the appraisal fee (and any expenses) which will be earned in full upon initial delivery of the appraisal report (draft or final), with such appraisal fee (and expenses) payable within 30 days of invoicing. Payment of the fee is not contingent upon any predetermined value or on an action or event resulting from the analysis, opinions, conclusions or use of the appraisal.
CHANGES TO THE AGREEMENT:	Any significant changes to the assignment as outlined in this Agreement, such as the identity of the Client, Intended Users, or Intended Use, will require the preparation and execution of a new agreement.
CANCELLATION OF ASSIGNMENT:	Client may cancel this Agreement at any time prior to the Firm's delivery of the appraisal upon written notification to the Firm. Client shall pay Firm for all work completed on the assignment prior to Firm's receipt of such written cancellation notice, unless otherwise agreed upon by Firm and Client in writing. The Firm may withdraw without penalty or liability from the assignment(s) contemplated by the Agreement before completion or reporting if the Firm determines, in the Firm's sole discretion, that incomplete information was provided to the Firm prior to the engagement, that Client or other parties have not or cannot provide documentation or information necessary to the Firm's analysis or reporting, that conditions of the Property render the original scope of work inappropriate, that a conflict of interest has arisen, or that Client has not complied with its payment obligations under this Agreement. The Firm shall notify Client of such withdrawal in writing.
NO THIRD-PARTY BENEFICIARIES:	Nothing in the Agreement shall create a contractual relationship or any legal duty between Firm or Client and any third party, nor any cause of action, right, or claim in favor of any third party and against Firm or Client. In addition, this Agreement is not intended to, and shall not be construed to, render any person or entity a third-party beneficiary of this Agreement. Client acknowledges and agrees that the appraisal report shall reflect the foregoing. In addition, the appraisal report shall state that no party other

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than an “Intended User” identified in the Agreement is entitled to rely upon the appraisal.

This Agreement may be rescinded by the Firm unless signed and returned to the undersigned within 10 days from the date hereof.

If this Agreement correctly sets forth the Client’s understanding of the services to be rendered, and if the terms are satisfactory, please execute and return the Agreement together with any required retainer.

Thank you and we look forward to working on this assignment.

Respectfully,

Patrick Murphy
Senior Appraiser
Certified General Appraiser
License No. Cert Gen RZ4537
Patrick.Murphy@nmrk.com
813-262-2536

Agreed: Stifel, Nicolaus & Company, Incorporated

SIGNATURE:

PRINT NAME: Peter J. Czajkowski

TITLE: Director of Public Finance

DATE: May 29, 2025

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Schedule “A”

TERMS AND CONDITIONS

ATTACHED TO AND A PART OF THE AGREEMENT DATED MAY 29, 2025 TO PROVIDE APPRAISAL SERVICES FOR STIFEL, NICOLAUS & COMPANY, INCORPORATED

1. These Terms and Conditions are attached to and incorporated into the above referenced Agreement as though fully set forth in full therein. Capitalized terms if not defined herein shall have the same meaning as defined in the Agreement.

2. With respect to any appraisal report, use of or reliance on the appraisal by any party, regardless of whether the use or reliance is authorized or known by the Firm, constitutes acceptance of these Terms and Conditions as well as acceptance of all other appraisal statements, limiting conditions and assumptions stated in the Agreement and appraisal report.

3. It is assumed that there are no matters affecting the Property that would require the expertise of other professionals, such as engineers or an environmental consultant, for Firm to provide the appraisal. If such additional expertise is required, it shall be provided by other parties retained by Client at Client’s sole cost and expense.

4. Client acknowledges that the Firm is being retained as an independent contractor to provide the services described herein and nothing in this Agreement shall be deemed to create any other relationship between Firm and Client, including but not limited to an agency relationship. The parties neither intend nor have any expectation that any such relationship will arise as a matter of law or as a result of this Agreement. This assignment shall be deemed concluded and the services hereunder completed upon delivery of the appraisal described herein to Client.

5. All statements of fact contained in the appraisal report as a basis of the appraiser's analyses, opinions, and conclusions will be true and correct to the best of the appraiser's actual knowledge and belief. The appraiser is entitled to, and shall rely upon the accuracy of information and material furnished to the Firm by Client. Appraiser is also entitled to, and shall, rely on information provided by sources upon which members of the appraisal profession typically rely and that are deemed to be reliable by members of that profession without independent verification.

6. The Firm and the appraiser shall have no responsibility for legal matters, or questions or issues involving survey or title, soil or subsoil conditions, engineering, zoning, buildability, environmental contamination, structural matters, construction defects, material or methodology, or other similar technical matters with regarding the Property. Furthermore, the appraisal will not constitute a survey of the Property.

7. The appraisal and the data and information gathered in its preparation (other than the confidential data and information provided by Client) is and will remain, the property of the Firm. The Firm shall not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished by Client to the Firm. Notwithstanding the foregoing, the Firm and the appraiser are authorized by Client to disclose all or any portion of the appraisal and appraisal report and the related data and information, including confidential data and information provided by Client, to appropriate representatives of the Appraisal Institute if such disclosure is required to comply with the Standards, Bylaws and Regulations of the Appraisal Institute, as well as, such disclosure as required by law and regulations, including compliance with a subpoena and licensing authority regulatory inquiries. The Firm is also authorized to include both confidential and non-confidential data assembled in the course of preparing the appraisal and which may be incorporated into the appraisal report in a database controlled by the Firm for the aggregation of such data and information to produce analytics and other metrics or products.

8. Unless specifically noted in the appraisal report, the appraisal will not take into consideration the possibility or probability of the existence of asbestos, PCB transformers, other toxic, hazardous, or contaminated substances

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and/or underground storage tanks (hazardous material) at on or in the Property, or the cost of encapsulation, removal or remediation thereof.

9. Client shall indemnify, defend (by counsel to be selected by Firm), protect, and hold Firm and Firm's appraisers, agents, employees, affiliates, representatives, successors and assigns (each, a "**Firm Party**"), free and harmless from any and all claims, liabilities, losses, penalties, fines, forfeitures, amounts paid in settlement, judgments, and all reasonable attorneys' fees and related litigation costs, fees and expenses incurred by the any of such indemnitees, which result from (i) any failure by Client or Client's agents or representatives to provide Firm with complete and accurate information regarding the Property; (ii) any material breach by Client of the provisions of the Agreement; (iii) if delivery of the appraisal to a third party is permitted by the Firm, Client providing an incomplete copy of the appraisal to such third party; or (iv) arising from Client or Client's agents or representatives providing a copy of the appraisal to a party not authorized by the Firm to receive such copy.

10. In preparing the appraisal, it is possible that the appraiser will discover conflicting information. In that event, appraiser will utilize information and data considered to be the most authoritative and for critical information will document the source. Information and data referred to may include, but is not limited to, legal descriptions; physical street addresses; assessor parcel numbers; property history; dimensions and areas of the site/land; dimensions and areas of the building improvements; physical unit counts; rent rolls; leases; lease abstracts; income and expense data; and any other related data. Any material discrepancy and/or error in any of the above data could have a substantial impact on the conclusions reported, and the Firm therefore reserves the right to amend conclusions reported if the Firm is made aware of any such discrepancy and/or error.

11. The appraisal may not be used, included or referenced, in whole or in part, in any offering or other materials without the prior written consent of the Firm, which consent may be conditioned upon the receipt by the Firm of an indemnity agreement, in form and content, satisfactory to Firm and provided by an indemnitor satisfactory to Firm. Client agrees to pay the fees of the Firm's legal counsel for review of any materials which is the subject of the requested consent. Except as agreed by the Firm expressly in writing, the Firm disclaims liability to any party other than Client.

12. The Firm shall not provide a copy of the appraisal to, or disclose the results of the appraisal to, any party other than Client, unless Client authorizes same, except as provided in the Confidentiality Section of the ETHICS RULE of the Uniform Standards of Professional Appraisal Practice (USPAP) or as otherwise required by law or regulations.

13. Client and any other identified Intended User should consider the appraisal as only one factor together with its own independent considerations and underwriting guidelines in making any decision or investment or taking any action regarding the Property. Client agrees that Firm shall not be responsible in any way for any decision of Client or any Intended User related to the Property or for the advice or services provided by any other advisors or contractors.

14. Unless otherwise stated in this Agreement, Client agrees that the services pursuant to this Agreement shall not include participation in or preparation for, or attendance at, any legal, judicial, administrative, or arbitration proceeding relating to this assignment. In the event the Firm or any Firm Party is required, whether through the service of a subpoena or otherwise, to produce documents or participate in or prepare for any discovery, testimony or attendance, relating to the appraisal or this assignment, where the Firm or Firm Party is not a party to the action or proceedings involved, Client agrees to reimburse expenses incurred by the Firm or Firm Party, including attorney's fees, in responding to such subpoena or other legal process and compensate the Firm therefor based upon the appraiser's prevailing hourly or daily rate for providing services as an expert consultant or witness.

15. **LIMITATION ON LIABILITY** NEITHER PARTY'S AGGREGATE LIABILITY RELATED TO THIS AGREEMENT (WHETHER UNDER CONTRACT, TORT OR OTHERWISE) WILL EXCEED THE AMOUNT OF FEES PAID FOR THE APPRAISAL ASSIGNMENT, AND NEITHER PARTY WILL BE LIABLE FOR ANY CONSEQUENTIAL,

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SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE OR EXEMPLARY DAMAGES RELATED TO THIS AGREEMENT (WHETHER UNDER CONTRACT, TORT OR OTHERWISE).

16. **WAIVER OF CONSEQUENTIAL DAMAGES** IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, LOST PROFITS, LOSS OF REVENUE, LOSS OF USE OR INTERRUPTION OF BUSINESS) ARISING OUT OF OR RELATED TO THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

17. Except as expressly provided herein, Firm makes no representations or warranties to Client or to any other person or entity with respect to the appraisal and the services to be provided by Firm under this Agreement. To the maximum extent permitted under applicable law, in no event will the Firm or any Firm Party be liable to Client or any third party (regardless of whether such party's claimed use or reliance on the appraisal was authorized by the Firm or a Firm Party) for any claimed damages exceeding the damages in Paragraph 15. Legal claims or causes of action relating to the appraisal are not assignable, except: (i) as the result of a merger, consolidation, sale or purchase of a legal entity, (ii) with regard to the collection of a bona fide existing debt for services but then only to the extent of the total compensation for the appraisal plus reasonable interest, or (iii) in the case of an appraisal performed in connection with the origination of a mortgage loan, as part of the transfer or sale of the mortgage before an event of default on the mortgage or note or its legal equivalent.

18. Federal banking regulations require banks and other lending institutions to engage appraisers where FIRREA compliant appraisals must be used in connection with mortgage loans or other transactions involving federally regulated lending institutions. In view of that requirement, the appraisal may not be accepted by a federally regulated financial institution.

19. In the event Client fails to make payments of any fees or sums when due and payable under this Agreement; then from the date due and payable until paid, the amount due and payable shall bear interest at the maximum rate permitted under the laws of the state in which the Property is located. If the Firm is required to undertake collection efforts including institution of legal action against Client relating to the Agreement, the Firm shall be entitled to recover attorney's fees, litigation expenses, and costs from Client.

20. To the extent permitted under applicable law, any legal action or lawsuit or other proceeding by Client or any Intended User of the appraisal against Firm or a Firm Party whether based in contract, tort, warranty, indemnity or otherwise, relating to the appraisal shall be commenced within two (2) years from the date of delivery of the appraisal to the claimant in such action or proceeding, unless the applicable law provides for a shorter period, and any such claimant waives the right to a jury in any such legal action or lawsuit or other proceeding. Notwithstanding the state of domicile or residency of either party to this Agreement, this Agreement shall be governed and construed under the laws of the state in which the Property is located, and venue for any action or proceeding arising out of this Agreement shall be deemed proper only in the court of competent jurisdiction located in the state in which the Property is located.

21. Throughout the performance of services under this Agreement, the Firm shall maintain at its sole cost and expense the following insurance:

    (a) Workers' Compensation, so as to provide statutory benefits as required by the laws of each state within the United States in which the Firm's services are being provided, and Employer's Liability insurance with limits of liability of $1,000,000 each accident, $1,000,000 disease each employee and $1,000,000 disease policy limit covering all employees of the Firm engaged in the performance of such services.

    (b) Fidelity insurance or bond with a limit of $1,000,000 to insure the Firm against loss of its or Client's assets caused from the dishonest acts of the Firm's employees.

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(c) Professional Liability insurance with a limit of liability of $1,000,000 each claim and $1,000,000 aggregate, which limits may be provided by a combination of primary and excess policies.

(d) Commercial General Liability insurance providing coverage against damages due to bodily injury (including death), property damage and personal and advertising injury arising in connection with the Firm's services provided under this Agreement, which insurance coverage shall: (i) be occurrence-based; (ii) provide limits of liability in an amount of $2,000,000 each occurrence and $5,000,000 aggregate (including excess and/or umbrella limits), (iii) include at least those coverages generally included in the most current ISO Commercial General Liability insurance policy form (or its equivalent); and (iv) include Client, and such other persons or entities as Client has identified in writing, as additional insureds solely with regard to claims arising out of this Agreement.

(e) Commercial automobile liability for owned, hired and non-owned motor vehicles, with a $1,000,000 combined single limit.

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Schedule “B”

PROPERTY INFORMATION LIST

ATTACHED TO AND A PART OF THE AGREEMENT DATED MAY 29, 2025 TO PROVIDE APPRAISAL SERVICES FOR STIFEL, NICOLAUS & COMPANY, INCORPORATED

The following information is requested to be delivered to the Firm so we can provide the proposed services and prepare the Appraisal within the agreed upon time frame. Please forward the physical data such as the site plan, previous engineering reports and/or property reports describing the physical attributes of the Property and all financial information such as rent roll and income and expense statements first as these items are the most time sensitive and should be received immediately to meet the time requirements of this assignment. If, at this time, you are certain you will not be providing any specific items noted below, please cross out the item and mark “NA” next to the item so that we will be notified that the information is not available and will not be forthcoming.

1. **Please indicate whether Newmark is sales broker, leasing broker, mortgage broker or property manager for the subject property**.
2. Site plan, if available. (Preferably, an AS BUILT PLAN showing an outline of building/s drawn to scale. Please do not send reductions so original scale may be used for measurement purposes.
3. Building plans, if available.
4. Prior engineering report or physical descriptions from prior appraisals or asset management report, if available.
5. Leasing brochures and/or other marketing materials, if available.
6. If the Property has been offered for sale within the last two years, a copy of the offering memorandum or investment book.
7. Past feasibility or market studies and economic impact studies as well as any relevant information collected from third party sources.
8. Agreements of Sale/Options to Buy (current or during last three years), if any.
9. Income and expense statements for the past three years plus year-to-date income and expense statements.
10. Operating budget for current and next year, if available.
11. Current property insurance binder or last property insurance billing statement.
12. Management contracts.
13. Copy of most recent real estate tax bill. Please advise if there has been a notice or inquiry by either the County Assessment Board or the School Board regarding the property assessment. Is there any pending litigation or negotiations with these parties that could result in an assessment increase or decrease?
14. Title report, Legal Description, or copy of deed. Provide a written statement of five-year history of legal property owner. Please advise, if there any deed restrictions or encumbrances, easements or cross easements.
15. Personal property inventory, if available.
16. Occupancy rates for the last three years, if not revealed in the financial statements.
17. Ground leases, if any.

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18. Approximate actual construction costs, if built during the past three years.
19. Environmental audits and studies disclosing any wetlands, hazardous wastes or other environmental conditions such as asbestos or radon.
20. List of any known major repairs and improvements needed.
21. Three-year history of capital improvements.
22. Name of contact person for the on-site physical inspection.

FOR APARTMENT PROPERTY

23. Unit mix showing rentable area and asking rent by unit type
24. Scaled apartment unit plans showing layouts and measurements so that rentable area can be confirmed, if available.
25. Rent roll showing tenant name, apartment number, dates of leases and the type of apartment, asking/market rents for each apartment, and contractual rent for each apartment unit. (It would be greatly appreciated if you can provide the rent roll in Excel.)
26. Terms of leases and/rent roll for leased commercial space or roof top rentals. Copies of commercial leases are desirable. If any commercial leases provide for pass through of operating expenses over a base year stop, please provide the dollar amount of the base year stop.

FOR INDUSTRIAL, OFFICE, RETAIL PROPERTY

27. Rent Roll (please sign and date) and copies of leases, including addenda and all amendments. Please indicate which leases may have early termination provisions, expansion and/or purchase options. Please identify any tenants who have initiated discussions to renew, terminate or renegotiate/modify their lease(s), or who have given notice to terminate. Proposed terms for such re-negotiations should be revealed.
28. Provide letters of intent to lease or other any outstanding lease proposals that have a reasonable likelihood of being finalized into executed leases.
29. Prior Argus files, if any.
30. List of outstanding leasing commissions brokers and terms of future payments.
31. Financial information such as Annual Statements or credit report/ratings on any major tenant in the building.
32. CAM and real estate tax reimbursement worksheets or listing of base year operating expenses, if applicable.
33. Three-year history of tenant retail sales, if available.

FOR LODGING PROPERTY

34. Terms of leases if any and/rent roll for leased commercial space or roof top rentals.
35. ADR and Occupancy rates for the last three years, if not revealed in the financial statements.
36. Business Plan and Marketing Strategy, if any for the upcoming fiscal year.
37. Terms of franchise agreement and management agreement, if any.

For Residential Subdivision Property

38. Building plans for the proposed single family, townhouse, age-restricted, and condominium residences. Please do not send reductions so original scale may be used for measurement purposes.

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39. Market Surveys and Feasibility Analyses, if any, for the proposed development program.

40. Marketing materials for the proposed single family, townhouse, age-restricted, and condominium residences.

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APPENDIX A-5

JUNE 2025 APPRAISAL RELATED TO SAGE LAKE SENIOR LIVING

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NEWMARK VALUATION & ADVISORY

Sage Lake Senior Living

1444 Andrew Dr, Covington, Louisiana 70433

Newmark File No: 25-0228959

Appraisal Report As of

June 19, 2025

Prepared For

Mr. Peter Czajkowski
Stifel, Nicolaus & Company, Incorporated
501 N Broadway St
St. Louis, MO 63102

Prepared By:

Newmark Valuation & Advisory
4221 W Boy Scout Blvd, Suite 440
Tampa, Florida 33607

NEWMARK

June 19, 2025

Mr. Peter Czajkowski
Stifel, Nicolaus & Company, Incorporated
501 N Broadway St
St. Louis, MO 63102

Re: Appraisal of Sage Lake Senior Living located at
1444 Andrew Dr, Covington, Louisiana 70433
Newmark File No: 25-0228959

Dear Mr. Czajkowski:

The subject property is Sage Lake Senior Living, an assisted living residence with memory care. The subject's site contains 6.64± acres (289,238+ square feet) of land area. Built in 2020, the subject is comprised of 82-units, 82-beds with 68,478± square feet of gross building area. The improvements are generally of above average quality as well as have been well-maintained and are considered to be in above average physical condition. Overall, the facility is of a modern design and has good functionality for a seniors housing use.

The subject property was physically inspected on March 28, 2024. Our current analysis reflects a date of value of June 19, 2025. As such, while our physical observations of the property are based on the March 2024 inspection, all valuation conclusions are as of the effective date of the report. We have assumed that the property has not experienced any significant physical changes since the date of inspection.

At your request, we have prepared an appraisal of Sage Lake Senior Living. The purpose of this appraisal is to estimate the market value of the Fee Simple interest of the total assets of the business (TAB) including real and personal property, which reflects its present condition and occupancy rate and assumes prudent marketing and management.

The property has been appraised based on the total assets of the business and assumes a sale, which includes the transfer of a valid operating license, an assembled workforce, and the transfer of all business assets necessary for the operation of a licensed health care facility and typically transferred with the sale of a property like the subject. However, the business assets specifically exclude items that do not typically transfer such as holdings or investments, working capital, accounts receivable, and accounts payable, that are distinctly separate from the real estate.

We have appraised the subject as a going concern entity as its real and personal property are supportive of and tied to an ongoing business operation. Our market value conclusion is inclusive of real property, business personal property (FF&E), and intangible items (i.e. license, certificate of need, assembled workforce, goodwill, etc.) that are a byproduct of operations of the subject as a going concern business entity. This appraisal assumes that the subject property will continue to operate as a going concern. In any event that the subject property ceases its current operations, then the value of any or all of the components may be less than our conclusions within this report. Furthermore, these allocations are not reflective of the value of each component on a standalone basis. The exclusion of any one of the components from the going concern would render these individual allocations invalid.

We certify that we have no present or contemplated future interest in the property beyond this estimate of value. Your attention is directed to the Limiting Conditions and Assumptions section of this report. Acceptance of this report constitutes an agreement with these conditions and assumptions.

SWOT BULLETS

- High interest rates depressed CRE activity but the recent reduction by the Federal Reserve and additional expected reductions are introducing optimism into the market.
- The easing of inflation, continued consumer spending, and solid job growth have continued to keep the economy growing despite higher interest rates to this point.
- There have been some signs of increased CRE activity stemming from moderation in interest rates, adjustments by buyers and sellers to the economic environment, and an easing of credit restrictions. But distress in the CRE market, particularly in the office sector, remains a drag on CRE performance.

NATIONAL TRENDS AND UNCERTAINTIES

The Federal Reserve engineered the fastest increase in interest rates in their history, bringing the target federal funds rate to a high of 5.25-5.50% as of July 2023. However, in September 2024, the Fed began reversing course with a 50-basis point reduction. The 10-year Treasury, which is foundational to commercial real estate, rose to levels last seen in 2007 by October 2023, but has since trended downward. Credit tightening, which included wider credit spreads and lower loan-to-value ratios, arose due to uncertain economic outlooks, deterioration in real estate collateral values, and concerns about bank liquidity. Coinciding with higher interest rates, capitalization rates rose quickly, and bid-ask spreads widened. While these trends have moderated, they are still prevalent and remain major drivers of current CRE market conditions.

The Federal Reserve maintained interest rates at this range until the September 2024 FOMC meeting, at which point a 50-basis point reduction was applied, due to leveling inflation rates. Further rate cuts in the coming months are expected.

Investors are adjusting to the new reality by modifying their investment strategies, leading to a narrowing of the bid-ask spread. While transaction volume for 2024 remains below 2023 levels, there are bright spots, such as multifamily sales volume in 2Q24 reaching the highest level since 4Q22. Real Capital Analytics has observed that CRE property prices have started to inch higher again, despite the impacts of high borrower rates. At the same time, RCA notes that distress continues to rise, with office properties leading the way and accounting for 40-45% of the total value of distressed assets. Although commercial real estate transaction volumes remain anemic, capitalization rates have stabilized. The Federal Reserve Beige Book reported that investment sales activity was flat across most regions, continuing prior trends. However, some signs of improvement are noted as "realistic" seller expectations are emerging, implying falling prices.

It will take time for the effects of higher interest rates to reverse. While opportunities are emerging since sales of distressed properties have increased, it is noted that distressed sales still account for only a small percentage of the total deal volume (about 5%). Interest rates have declined from their peak in October 2023, and debt market conditions have improved. Additional rate cuts by the Fed will likely have positive effects on CRE, impacting both prices and debt favorably. We have considered and will address these issues throughout this appraisal and report, including in our determinations of overall capitalization rates, discount rates, market rent assumptions, market conditions adjustments, and growth of rents and expenses where applicable.

Seniors Housing Trends and Uncertainties

- **Rising Operating Costs:** Labor shortages and increased wages continue to pressure operating margins across the senior housing sector. Although demand has rebounded post-COVID, particularly as occupancy levels begin to recover, many operators are still navigating a high-cost environment. Staffing remains the most significant expense, with persistent competition for qualified caregivers driving up wages and turnover-related costs. In addition, insurance premiums have risen due to increased liability risks and natural disaster exposures, while supply chain disruptions have led to higher prices for food, medical supplies, and maintenance materials. These challenges have made it difficult for many facilities to regain pre-pandemic profitability, even as revenue improves. Operators are responding by exploring operational efficiencies, leveraging technology, and, in some cases, adjusting pricing models to preserve margins.
- **Operator Performance Disparity:** The senior housing market continues to exhibit a notable bifurcation in operator performance. High quality operators with experienced management teams, strong staffing levels, and a demonstrated focus on resident satisfaction are outperforming peers across key metrics, including occupancy, resident retention, and financial stability. These operators are often better positioned to adapt to rising costs and labor constraints, and they tend to benefit from positive word-of-mouth and stronger referral networks. In contrast, underperforming operators are struggling to stabilize census and meet financial targets. This divergence has prompted investors to place heightened emphasis on operator quality.
- **Increased Demand from Aging Baby Boomers:** The aging of the baby boomer generation is driving an anticipated surge in demand for senior housing. This demographic wave is expected to continue gaining momentum throughout the next decade, fueling long-term growth across independent living, assisted living, and memory care segments. However, despite this rising demand there is growing uncertainty around affordability, particularly for middle-market seniors who fall between qualifying for Medicaid and being able to afford premium private pay communities. Addressing this affordability gap will be a key challenge for the industry as it prepares for the full impact of the baby boomer cohort.

MARKET VALUE AS IS - (TAB)

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, we have developed an opinion that the "As Is" market value of the total assets of the business (TAB) including real and personal property of this specific asset in Fee Simple interest, as of June 19, 2025, was:

$24,600,000

Our concluded value is allocated as follows:

ALLOCATION CONCLUSION - AS IS	
Component	**Allocated Value**
Market Value (TAB)	$24,600,000
Allocated Value of Real Property	$21,800,000
Allocated Value of FF&E	$500,000
Allocated Value of the Intangibles	$2,300,000

AS IF TAX EXEMPT - (TAB)

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, we have developed an opinion that the "As if Tax Exempt" value of the total assets of the business (TAB) including real and personal property, as of June 19, 2025, will be:

$27,400,000

ALLOCATION CONCLUSION - AS IF TAX EXEMPT	
Component	**Allocated Value**
Market Value (TAB)	$27,400,000
Allocated Value of Real Property	$24,300,000
Allocated Value of FF&E	$500,000
Allocated Value of the Intangibles	$2,600,000

Extraordinary Assumptions

An extraordinary assumption is defined in USPAP as an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results.

- It is an extraordinary assumption of this report that the subject property has not undergone any material physical changes since the inspection conducted on March 28, 2024. The effective date of value is June 19, 2025, and this valuation is based on the condition of the property as observed during the inspection. Should any physical characteristics of the property have changed between the date of inspection and the effective date of value, the conclusions contained herein could be impacted.

Hypothetical Conditions

A hypothetical condition is defined in USPAP as a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis. The value conclusions are based on the following hypothetical conditions that may affect the assignment results.

- The as is tax exempt value results within this appraisal report are predicated on a hypothetical condition that the subject property is tax exempt due to not-for-profit status.

Prior Services

Newmark previously conducted an appraisal of the subject property with the following value conclusions:

- Market Value As Is: March 28, 2024: $20,900,000
- As If Tax Exempt: March 28, 2024: $23,800,000

The value change is primarily due to improved property performance since the prior appraisal. Occupancy figures have increased while in-place rental rates have also risen. These operational improvements have contributed to a higher net operating income and support an upward adjustment to the concluded value.

The appraisal was developed based on, and this report has been prepared in conformance with the Client's appraisal requirements, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, Title XI of the Financial Institution Reform, Recovery and Enforcement Act (FIRREA) of 1989, and the Interagency Appraisal and Evaluation Guidelines (December 2, 2010).

Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions, and conclusions.

3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

7. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.

8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, as well as the requirements of the State of Louisiana.

9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

11. As of the date of this report, Norman W. LeZotte, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.

12. John J. Gasparre, MAI made a personal inspection of the property that is the subject of this report.

13. No one provided significant real property appraisal assistance to the person(s) signing this certification.

14. The Firm operates as an independent economic entity. Although employees of other service lines or affiliates of the Firm may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy were maintained at all times with regard to this assignment without conflict of interest.

15. Within this report, "Newmark ", "Newmark Valuation & Advisory", "Newmark, Inc.", and similar forms of reference refer only to the appraiser(s) who have signed this certification and any persons noted above as having provided significant real property appraisal assistance to the persons signing this report.

16. Patrick R. Murphy has performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment. The services include one appraisal within the past three years. Norman W. LeZotte, MAI has not performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.

Norman W. LeZotte, MAI
Regional Managing Director
Louisiana State Certified General
License No. APR.03980-CGA
Telephone: 404-965-6285
Email: Norm.LeZotte@nmrk.com

Patrick R. Murphy
Senior Appraiser
Louisiana State Certified General
License No. APR.05170-CGA
Telephone: 813-262-2536
Email: Patrick.Murphy@nmrk.com

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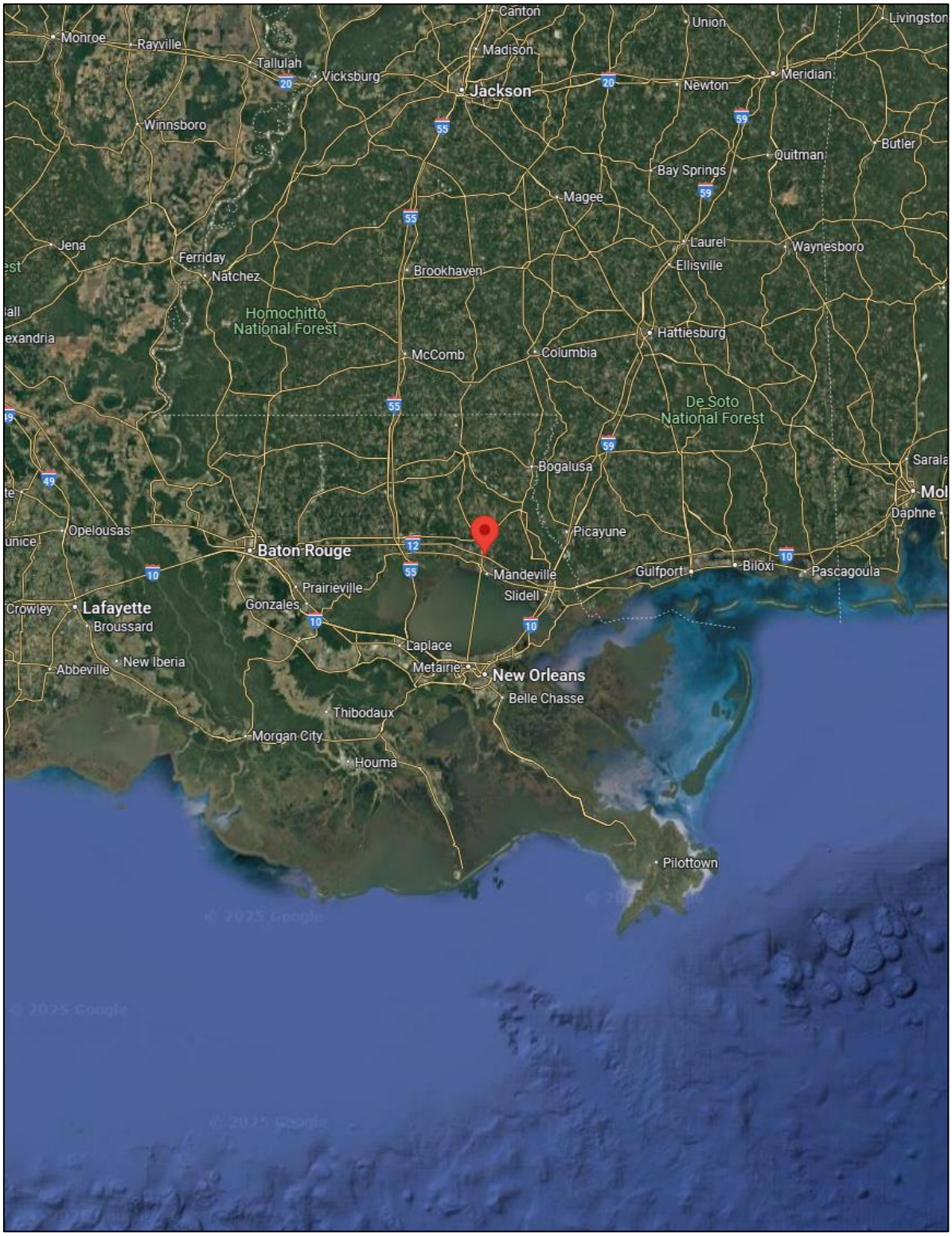
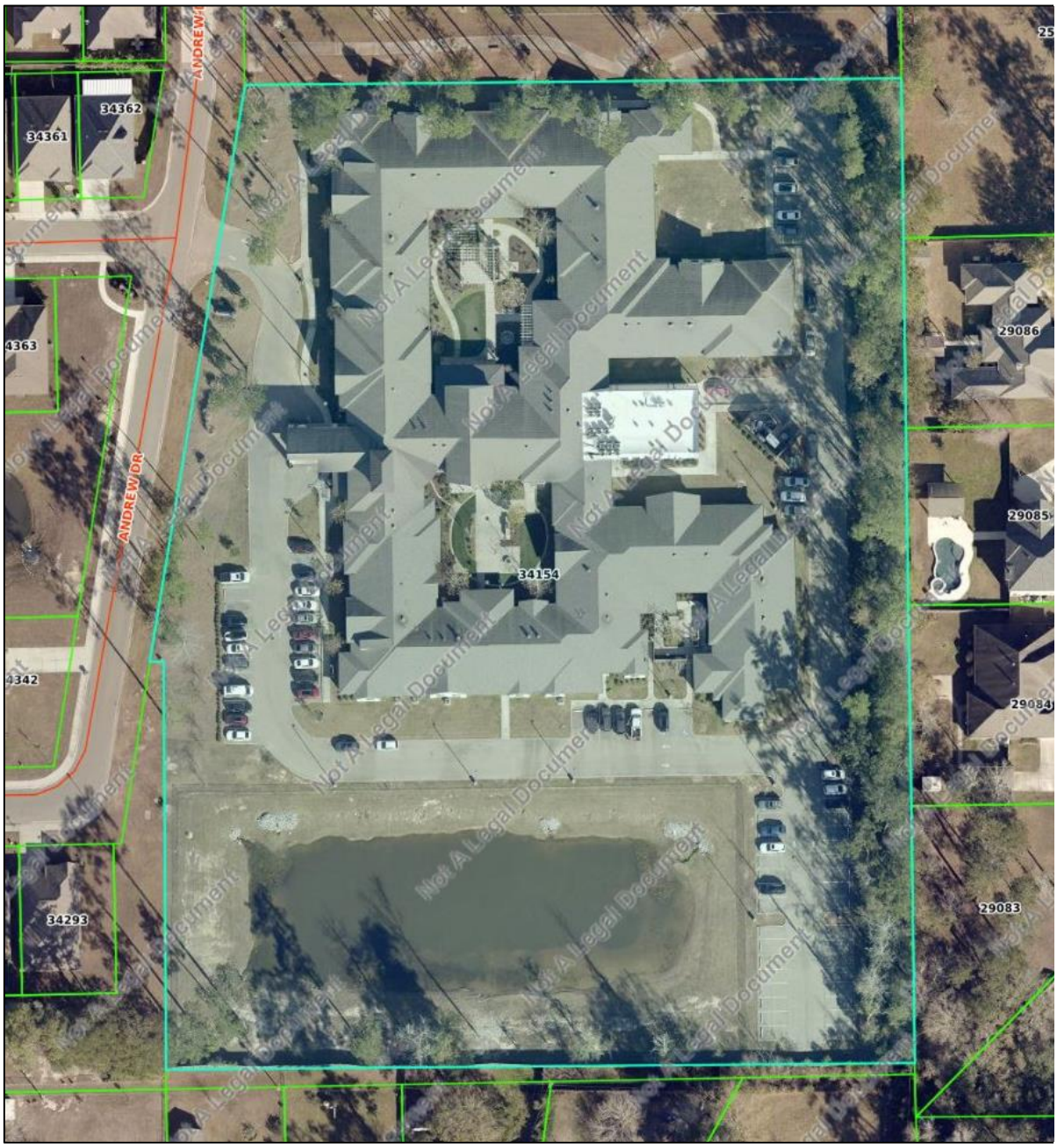
SUBJECT LOCATION MAP



SUBJECT PHOTOGRAPHS

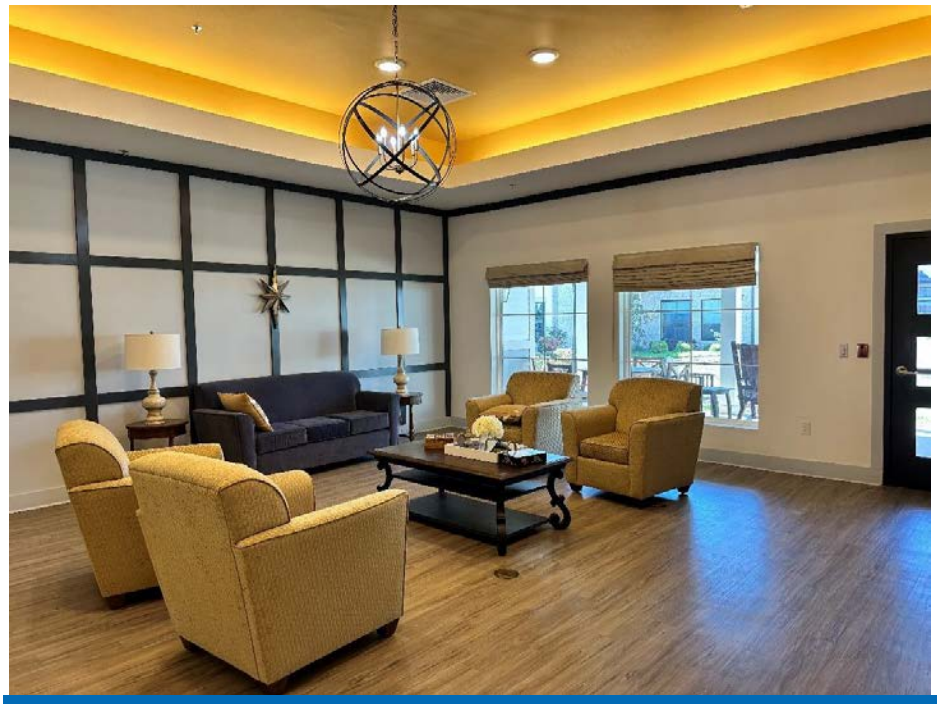


AERIAL PHOTOGRAPH OF THE SUBJECT

The following photos were taken on March 28, 2024

FRONT ELEVATION OF THE SUBJECT IMPROVEMENTS

ENTRANCE LOBBY



RESIDENT LOUNGE

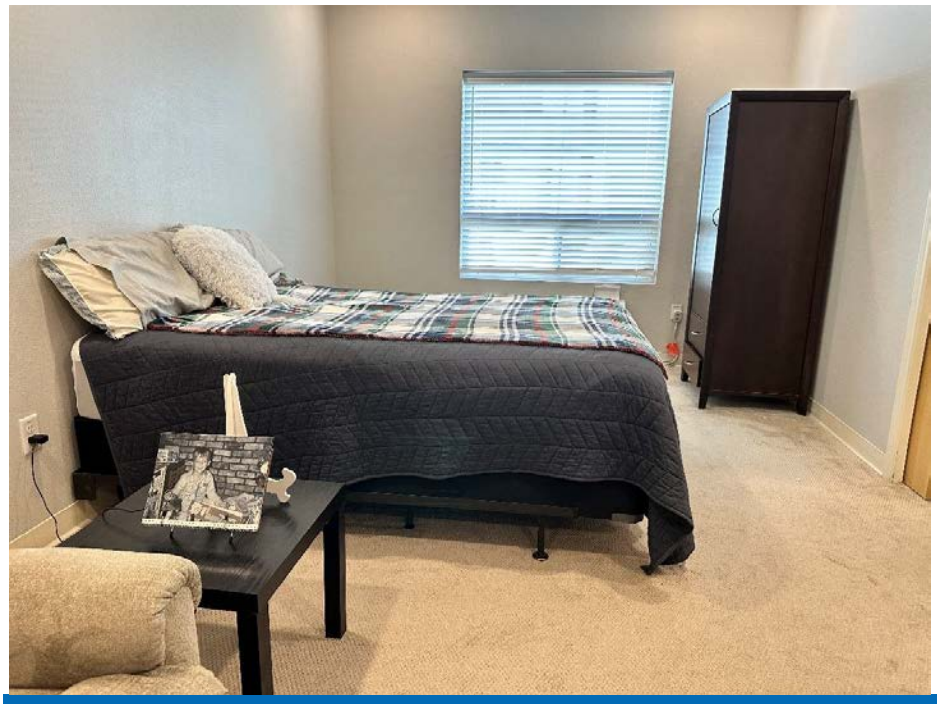
MAIN DINING AREA

COMMERCIAL KITCHEN

TYPICAL HALLWAY

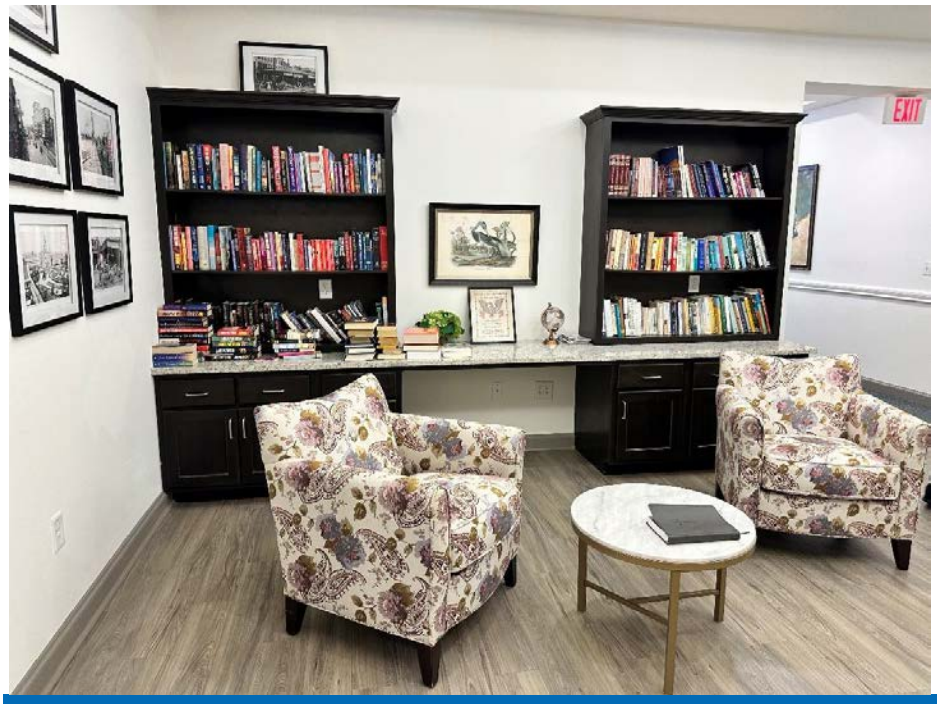
TYPICAL RESIDENT KITCHEN

TYPICAL RESIDENT LIVING ROOM



TYPICAL RESIDENT BEDROOM

TYPICAL RESIDENT BATHROOM



LIBRARY

LAUNDRY

ROOM OF WORSHIP

COURTYARD

EXTERIOR

RETENTION POND

STREETVIEW LOOKING SOUTH ON ANDREW DRIVE

STREETVIEW LOOKING NORTH ON ANDREW DRIVE

Executive Summary

General Identification of Property	
Property Name:	Sage Lake Senior Living
Property Location:	1444 Andrew Dr, Covington, Saint Tammany County, Louisiana 70433
Legal Description:	A legal description is included in the addenda of this report.
Assessor Identification Number:	34154

Ownership History	
Ownership:	RSL Living Covington LLC
Sale History:	No sales involving the subject have been recorded during the prior three years. Additionally, we are not aware of any current agreements of sale, options, or listings relating to the subject property.
Lease/Service Agreements:	Not applicable.

Property Description	
Land Area (Total):	289,238± square feet (6.64± acres)
Zoning:	PBC-1 (Planned Business Campus)
Improvement Type:	Assisted Living Residence with Memory Care
Year Built:	2020
Number of Stories:	One

Licensed Capacity:

License Capacity	
Assisted Living:	120 Beds
Total	**120 Beds**

Operating Capacity:

Operating Capacity	
Assisted Living:	66 Beds
Memory Care:	16 Beds
Total	**82 Beds**

Current Occupancy:

Occupancy	
Assisted Living:	97%
Memory Care:	100%
Total	**98%**

Gross Building Area (GBA): 68,478± square feet

Quality of Improvements:	Above Average
Condition of Improvements:	Above Average

Exposure Time and Marketing Time

Exposure Time:	9 months
Marketing Time:	9 months

Highest and Best Use

As Vacant:	For Immediate development with a senior housing use
As Improved:	As currently improved

Value Indications

Date of Report:	June 19, 2025
Date of Property Inspection:	March 28, 2024
Property Interest Appraised:	Fee Simple Interest

Value Premises	Effective Date	Sales Comparison	Income Capitalization	Conclusion
As Is (TAB)	June 19, 2025	$24,600,000	$24,600,000	**$24,600,000**
As Is (TAB) - Tax Exempt	June 19, 2025	–	$27,400,000	**$27,400,000**

Extraordinary Assumptions

An extraordinary assumption is defined in USPAP as an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results.

- It is an extraordinary assumption of this report that the subject property has not undergone any material physical changes since the inspection conducted on March 28, 2024. The effective date of value is June 19, 2025, and this valuation is based on the condition of the property as observed during the inspection. Should any physical characteristics of the property have changed between the date of inspection and the effective date of value, the conclusions contained herein could be impacted.

Hypothetical Conditions

A hypothetical condition is defined in USPAP as a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis. The value conclusions are based on the following hypothetical conditions that may affect the assignment results.

- The as is tax exempt value results within this appraisal report are predicated on a hypothetical condition that the subject property is tax exempt due to not-for-profit status.

Introduction

OWNERSHIP HISTORY

The current owner is RSL Living Covington LLC.

No sales involving the subject have been recorded during the prior three years. Additionally, we are not aware of any current agreements of sale, options, or listings relating to the subject property.

INTENDED USE AND USER

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to non-client, non-intended users does not extend reliance to any other party and Newmark will not be responsible for unauthorized use of the report, its conclusions or contents used partially or in its entirety.

- The intended use of the appraisal is to be included within offering materials in connection with the sale of securities to finance the acquisition of the Properties ("Intended Use") and no other use. The Firm will provide its consent to the Intended Use contingent only upon review of such offering materials to ensure use of appropriate language associated with references to the Appraisal.
- The client is Stifel, Nicolaus & Company, Incorporated.
- Intended users of the appraisal include only Stifel and the not-for-profit designated purchaser of the properties ("Intended User(s)"), and no other party is permitted to use or rely on the appraisal. The identification of Intended User(s) of the appraisal is to determine the type and extent of research, analysis and reporting appropriate for the assignment. Designation of a party other than Client as an Intended User is not intended to confer upon such party any rights under this Agreement.

DEFINITION OF VALUE

Market value is defined as:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

(Source: Code of Federal Regulations, Title 12, Chapter I, § 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

Market Value of the Total Assets of the Business (MVTAB) is defined as:

"The market value of all of the tangible and intangible assets of a business as if sold in aggregate as a going concern."

(Source: Appraisal Institute: The Dictionary of Real Estate Appraisal, 7th Edition (Chicago: Appraisal Institute, 2022), page 109)

The property has been appraised based on the total assets of the business and assumes a sale, which includes the transfer of a valid operating license, an assembled workforce, and the transfer of all business assets necessary for the operation of a licensed health care facility and typically transferred with the sale of a property like the subject. However, the business assets specifically exclude items that do not typically transfer such as holdings or investments, working capital, accounts receivable, and accounts payable, that are distinctly separate from the real estate.

We have appraised the subject as a going concern entity as its real and personal property are supportive of and tied to an ongoing business operation. Our market value conclusion is inclusive of real property, business personal property (FF&E), and intangible items (i.e. license, certificate of need, assembled workforce, goodwill, etc.) that are a byproduct of operations of the subject as a going concern business entity. This appraisal assumes that the subject property will continue to operate as a going concern. In any event that the subject property ceases its current operations, then the value of any or all of the components may be less than our conclusions within this report. Furthermore, these allocations are not reflective of the value of each component on a standalone basis. The exclusion of any one of the components from the going concern would render these individual allocations invalid.

INTEREST APPRAISED

The appraisal is of the Fee Simple interest.[1]

> ***Fee Simple Estate:*** Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

APPRAISAL REPORT

This report incorporates sufficient information regarding the data, reasoning and analysis that were used to develop the opinion of value in accordance with the intended use and user.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the Market Value of the Fee Simple interest of the total assets of the business (TAB) including real and personal property, which reflects its present condition and occupancy rate and assumes prudent marketing and management.

SCOPE OF WORK

Extent to Which the Property is Identified

- Physical characteristics
- Legal characteristics
- Economic characteristics

Extent to Which the Property is Inspected

During this assignment we inspected the subjects readily accessible site and building areas on March 19, 2024.

Type and Extent of the Data Researched

As per the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user. The scope of this appraisal required collecting primary and secondary data considered relevant to the subject property. Sales and rental data was researched. The input of buyers, sellers and property owners was also considered.

- Exposure and marking time.
- Neighborhood and land use trends.
- Demographic trends.
- Flood zone status.
- Zoning requirements and compliance.
- Real estate tax data.

[1] The Dictionary of Real Estate, 6th Edition, Appraisal Institute

- Market trends relative to the subject property type.
- Physical characteristics of the site and applicable improvements.
- Relevant applicable comparable data; and
- Investment rates.

Type and Extent of Analysis Applied

We analyzed the property and market data gathered through the use of appropriate, relevant, and accepted market-derived methods and procedures. Further, we employed the appropriate and relevant approaches to value and correlated and reconciled the results into an estimate of market value, as demonstrated within the appraisal report.

Economic Analysis

AREA ANALYSIS

The subject is situated within the City Limits of Covington, Saint Tammany County, Louisiana. Louisiana is considered to be located in the Southeast United States regional area. Furthermore, the subject is located within the New Orleans MSA.

As a senior housing facility, investors typically focus on a regional area when considering new acquisitions. Therefore, as will be shown within the various approaches to value utilized, we placed primary consideration on the subject's regional area in our search for comparable sale data. As for prospective property residents, the competing market area is much more local.

An overview of the subject's metropolitan area is presented on the subsequent pages provided by Moody's Analytics. We then have presented an Executive Overview of the novel Corona virus (COVID-19) with a subsequent delineation and discussion of the subject's Primary Market Area (PMA) in the Market Analysis Section.

The following map illustrates the subject's location with respect to the regional area. Additionally, we have also included maps of the subject's greater surrounding area and neighborhood on following pages.

MAP OF THE USA
(Source: Map provided via NAR)

MOODY'S

New Orleans-Metairie LA

PRÉCIS® U.S. Metro

Data Buffet® MSA code: IUSA_MNEO

ECONOMIC DRIVERS

LOGISTICS | TOURIST DESTINATION | MEDICAL CENTER

EMPLOYMENT GROWTH RANK

2023-2025	2023-2028
183	126
3rd quintile	2nd quintile

Best=1, Worst=410

RELATIVE COSTS

LIVING	BUSINESS
103%	91%

U.S.=100

VITALITY

RELATIVE: -0.46, Rank: 347

Best=1, Worst=403

QUALITY

OF LIFE: 176

Best=1, Worst=378

BUSINESS CYCLE STATUS

STRENGTHS & WEAKNESSES

STRENGTHS

- Well-developed port, pipeline and rail infrastructure.
- Large-scale investments in energy and manufacturing.

WEAKNESSES

- Large number of low-paying gaming and tourism jobs, few high-tech jobs.
- Susceptibility to boom-bust cycle in energy, above-average employment volatility.
- Weak migration patterns.

FORECAST RISKS

SHORT TERM ↓ LONG TERM ↓

RISK EXPOSURE 2024-2029: 120 2nd quintile (Most=1, Least=403)

UPSIDE

- The EU ban on Russian oil imports stays in place, keeping oil prices high.
- U.S. consumers perform better than expected, lifting tourist inflows.

DOWNSIDE

- Tariffs rise, and trading partners reciprocate in kind, reducing shipping volumes in NEO's ports.
- Hurricanes damage critical infrastructure.

MOODY'S RATING

A2 COUNTY AS OF JUL 25, 2024

ANALYSIS

Recent Performance. New Orleans-Metairie is making up lost ground. Employment growth accelerated throughout 2024, making up for job losses late in 2023. Growth is relatively widespread, with about two-thirds of all industries adding to headcounts. Healthcare was the strongest performer, punching well above its weight in net job gains throughout 2024. The key shipping industry also accelerated throughout the year, with hiring handily outpacing that in the rest of Louisiana and the nation. The labor market nonetheless has some slack. The unemployment rate is rising, despite workers leaving the labor force. This is weighing on wage growth, which severely lags the national pace.

Shipping. The shipping industry will stumble this year. The Port of New Orleans makes NEO highly dependent on shipping. The metro area serves as a staging point for many farm products shipped down the Mississippi River for export. The Trump administration's threatened tariffs will hurt NEO's container shipping business. The exact shape of tariffs remains to be seen, as the president has announced and then reneged on tariffs multiple times. Nonetheless, our forecast maintains that the average tariff rate in the U.S. will rise under President Trump. Reciprocal tariffs against U.S. products are likely. This will hamper total volumes of goods flowing through NEO's ports, reducing the need for a large workforce in the industry. Liquefied natural gas shipments will help make up some of the shortfall. The Plaquemines LNG terminal began shipping gas this year. While LNG terminals do not need a big workforce, the new facility is still a positive for employment in shipping. On net, hiring in shipping will slow from its strong pace to match the more modest regional pace by the end of the year.

Healthcare. Healthcare will remain a key contributor. The industry had a strong year in 2024. Although hiring lagged the national clip, the industry was responsible for half of all net job gains in NEO. While healthcare hiring elsewhere in the nation is downshifting, job gains are accelerating in NEO. Further hiring is on the horizon this year. Multiple hospitals are expanding or opening new facilities in response to demand. Ochsner Health—the top employer in NEO—began construction on a $72 million neuroscience facility in 2023 that will open this year. Slidell Memorial opened a $52 million surgical center near the end of 2024. Staffing these two new facilities will help keep healthcare payrolls moving higher.

Demographics. Demographic issues will make stronger growth more difficult. NEO's population has declined since 2019, which saps the metro area of key demand growth. This is particularly problematic for an economy highly dependent on consumer services. Thankfully, tourism helps lift retail and leisure spending, insulating consumer services slightly from demographic problems. Relatively low educational attainment and a declining population make growth in high-paying, knowledge-based industries much more difficult. Healthcare has so far proven resilient to demographic problems, but a declining population could also begin to hamper this driver by reducing both the demand for care and the availability of workers.

New Orleans-Metairie's economy will improve throughout 2025. Healthcare and the nascent LNG industry will be the biggest supports for the economy. Shipping's exposure to tariffs represents a significant hurdle for the metro economy. Over the long term, worsening demographic trends and exposure to natural disasters will keep NEO an underperformer.

Thomas Nichols
January 2025

2018	2019	2020	2021	2022	2023	INDICATORS	2024	2025	2026	2027	2028	2029
72.3	73.8	67.2	69.0	68.5	71.5	Gross metro product (C17$ bil)	74.0	77.1	79.4	81.4	83.3	85.1
0.7	*2.0*	*-8.9*	*2.6*	*-0.7*	*4.5*	*% change*	*3.4*	*4.2*	*3.0*	*2.5*	*2.3*	*2.2*
578.4	585.6	530.5	540.5	559.2	565.3	Total employment (ths)	564.8	579.8	588.0	591.6	593.2	594.1
0.6	*1.2*	*-9.4*	*1.9*	*3.5*	*1.1*	*% change*	*-0.1*	*2.7*	*1.4*	*0.6*	*0.3*	*0.1*
4.6	4.3	10.0	6.4	3.8	3.7	Unemployment rate (%)	4.2	4.3	4.2	4.1	4.0	4.0
4.9	4.4	4.0	11.0	-1.4	5.1	Personal income growth (%)	5.4	6.6	6.3	5.5	4.8	5.2
52.2	55.1	57.0	59.3	61.6	64.7	Median household income ($ ths)	67.0	71.1	75.6	79.7	83.0	86.7
1,266.7	1,269.9	1,270.3	1,265.7	1,252.0	1,249.5	Population (ths)	1,285.3	1,302.6	1,303.0	1,298.2	1,290.2	1,279.9
0.3	*0.3*	*0.0*	*-0.4*	*-1.1*	*-0.2*	*% change*	*2.9*	*1.3*	*0.0*	*-0.4*	*-0.6*	*-0.8*
0.3	0.1	-0.0	-5.6	-15.0	-5.2	Net migration (ths)	33.3	15.1	-1.5	-6.5	-9.5	-11.6
3,046	3,241	3,563	4,018	3,101	1,865	Single-family permits (#)	2,122	3,239	3,502	3,511	3,387	3,244
818	785	785	1,264	1,065	1,207	Multifamily permits (#)	617	207	167	134	117	111
2.5	*4.1*	*4.6*	*9.1*	*11.2*	*0.3*	FHFA house price index (% change)	*-0.2*	*0.5*	*1.4*	*2.2*	*2.8*	*3.0*

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ECONOMIC HEALTH CHECK

3-MO MA	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24
Employment, change, ths	-0.4	-0.2	-0.0	1.0	1.0	1.0
Unemployment rate, %	4.1	3.9	3.9	4.0	4.1	4.3
Labor force participation rate, %	59.3	59.3	59.4	59.3	59.2	59.1
Average weekly hours, #	36.3	36.5	36.1	36.0	35.7	35.8
Industrial production, 2012=100	103.4	103.4	103.2	103.5	103.4	103.9
Residential permits, single-family, #	1,937	2,026	2,080	2,105	2,146	2,250
Residential permits, multifamily, #	355	461	406	444	709	1,005
Dec/Dec	**Dec 19**	**Dec 20**	**Dec 21**	**Dec 22**	**Dec 23**	**Dec 24**
Employment, change, ths	7.8	-56.1	19.5	13.1	-3.9	6.4

Stronger than prior 3-mo MA | Unchanged from prior 3-mo MA | Weaker than prior 3-mo MA

Sources: BLS, Census Bureau, Moody's Analytics

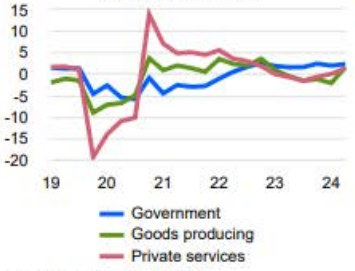
BUSINESS CYCLE INDEX

JAN 2014=100

Source: Moody's Analytics

INDUSTRY EMPLOYMENT

% CHANGE YR AGO



Sources: BLS, Moody's Analytics

CURRENT EMPLOYMENT TRENDS

% CHANGE YR AGO, 3-MO MA

	Dec 23	Jun 24	Dec 24
Total	-0.5	-0.4	1.1
Mining	-0.1	1.3	1.0
Construction	-2.4	-4.3	2.2
Manufacturing	1.1	1.4	-1.2
Trade	-1.3	-1.3	-1.8
Trans/Utilities	-2.8	0.0	6.1
Information	-26.8	-12.7	0.8
Financial Activities	1.0	0.8	-0.7
Prof & Business Svcs.	-3.2	0.7	1.9
Edu & Health Svcs.	2.0	-2.0	2.3
Leisure & Hospitality	0.6	-0.8	-1.7
Other Services	1.7	3.4	5.7
Government	1.5	2.3	2.3

Sources: BLS, Moody's Analytics

DIFFUSION INDEX

3-DIGIT NAICS LEVEL, 6-MO MA

Sources: BLS, Moody's Analytics

RELATIVE EMPLOYMENT PERFORMANCE

JAN 2014=100

Sources: BLS, Moody's Analytics

RELATIVE EMPLOYMENT FORECAST

VS. 6 MO PRIOR

Sources: BLS, Moody's Analytics

HOUSE PRICE

2005Q1=100, NSA

Sources: FHFA, Moody's Analytics

RENTAL AFFORDABILITY

GREATER THAN 100=MORE AFFORDABLE

Sources: Census Bureau, BLS, Moody's Analytics

HOUSE PRICE TRENDS

%

Sources: Moody's Analytics

HOUSING AFFORDABILITY

GREATER THAN 100=MORE AFFORDABLE

Sources: NAR, Moody's Analytics

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TOP EMPLOYERS

Ochsner Health System	17,900
East Jefferson General Hospital	2,700
Laitram LLC	2,163
ACME Truck Line Inc.	2,100
Georges Enterprises LLC	1,550
West Jefferson Medical Center	1,244
Audubon Engineering Co. LLC	950
Imperial Trading Co. Inc.	950
Blessey Marine Service Inc.	832
Coca Cola Bottling Co.	800
Treasure Chest Casino	725
Pellerin Milnor Corp.	700
Ray Brandt Automotive & Collision	676
Cornerstone Chemical Co.	494
Favrot & Shane Aia Architects	361
Southern Eagle Distributing	290
Geocent LLC	250
Kroger Specialty Pharmacy LA LLC	240
Altus Global Trade Solutions	207
Jacobs Engineering Group Inc.	205

Sources: JEDCO, EDS Department,2023

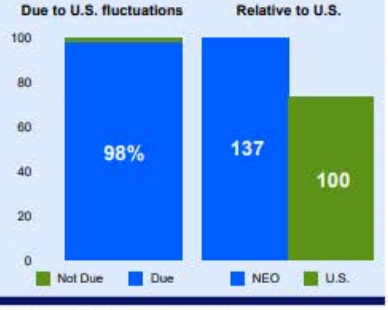
PUBLIC

Federal	13,376
State	11,311
Local	44,396

2023

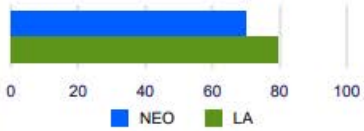
INDUSTRIAL DIVERSITY

EMPLOYMENT VOLATILITY



ENTREPRENEURSHIP

BROAD-BASED START-UP RATE; U.S.=100



Sources: Census Bureau, Moody's Analytics, 2022

EXPORTS

Product - 2019	$ mil
Food and kindred products	1,947.9
Chemicals	2,535.4
Primary metal manufacturing	ND
Fabricated metal products	ND
Machinery, except electrical	ND
Computer and electronic products	ND
Transportation equipment	ND
Miscellaneous manufacturing	ND
Other products	1,165.8
Total	**34,109.6**

Destination - 2022	$ mil
Africa	1,742.2
Asia	18,225.6
European Union	7,287.3
Canada & Mexico	ND
South America	10,807.7
Rest of world	ND
Total	**52,912.9**
% of GDP	*54.7*
Rank among all metro areas	*8*

Sources: BEA, International Trade Administration, Moody's Analytics

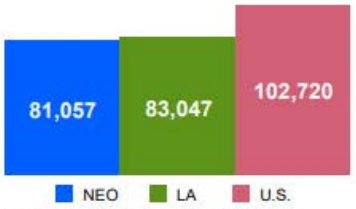
COMPARATIVE EMPLOYMENT AND INCOME

Sector	% OF TOTAL EMPLOYMENT NEO	LA	U.S.	AVERAGE ANNUAL EARNINGS NEO	LA	U.S.
Mining	0.6	1.4	0.4	ND	$143,000	$181,917
Construction	4.9	7.0	5.2	$59,105	$65,467	$77,604
Manufacturing	5.3	7.0	8.2	$116,720	$106,068	$100,233
Durable	*38.0*	*46.5*	*62.7*	*ND*	*$87,238*	*$102,888*
Nondurable	*62.0*	*53.5*	*37.3*	*ND*	*$122,506*	*$95,935*
Transportation/Utilities	5.2	4.5	4.5	$63,720	$63,911	$64,074
Wholesale Trade	3.9	3.5	3.9	$127,095	$97,843	$107,061
Retail Trade	10.0	11.0	9.9	$38,306	$37,217	$43,636
Information	1.2	0.9	1.9	ND	$66,880	$147,064
Financial Activities	5.2	4.8	5.8	$40,114	$42,391	$60,198
Prof. and Bus. Services	13.3	11.1	14.5	ND	$60,204	$88,706
Educ. and Health Services	19.3	17.4	16.6	ND	$61,130	$67,977
Leisure and Hosp. Services	14.1	11.1	10.7	$37,410	$29,540	$37,546
Other Services	4.5	3.8	3.7	ND	$34,403	$44,257
Government	12.5	16.3	14.7	$84,612	$75,517	$92,363

Sources: Percent of total employment — BLS, Moody's Analytics, 2024, Average annual earnings — BEA, Moody's Analytics, 2022

PRODUCTIVITY

REAL OUTPUT PER WORKER, $



Sources: BEA, Moody's Analytics, 2022

BUSINESS COSTS

Source: Moody's Analytics

EMPLOYMENT

HIGH-TECH

	Ths	% of total
NEO	14.5	2.6
U.S.	8,526.6	5.5

HOUSING-RELATED

	Ths	% of total
NEO	48.6	8.6
U.S.	15,428.7	9.9

Source: Moody's Analytics, 2023

LEADING INDUSTRIES BY WAGE TIER

NAICS	Industry	Location Quotient	Employees (ths)
6211	Offices of physicians	1.5	15.3
GVF	Federal Government	1.3	13.2
5411	Legal services	2.0	8.4
5242	Agencies, brokerages & other insur. rel. acts.	1.7	7.9
GVL	Local Government	0.9	43.6
6221	General medical and surgical hospitals	1.2	19.6
GVS	State Government	0.6	11.1
2382	Building equipment contractors	1.0	8.7
7225	Restaurants and other eating places	1.2	45.6
6113	Colleges, universities & prof. schools	2.0	12.7
6111	Elementary and secondary schools	3.1	12.3
5613	Employment services	0.9	12.1

High Mid Low

Source: Moody's Analytics, 2023

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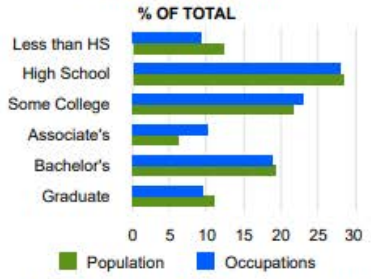
SKILLS MISMATCH



Sources: Census Bureau, ACS, Moody's Analytics, 2018

PER CAPITA INCOME

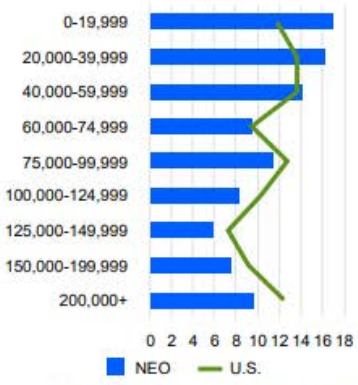
Sources: BEA, Moody's Analytics

ECONOMIC DISENFRANCHISEMENT

Index	2021	Rank*
Gini coefficient	0.51	26
Palma ratio	3.8	31
Poverty rate	18.4%	56

**Most unequal=1, Most equal=403*

HOUSEHOLDS BY INCOME, %



Sources: Census Bureau, ACS, Moody's Analytics, 2023

MIGRATION FLOWS

INTO NEW ORLEANS LA

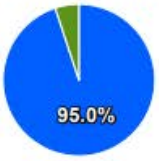
	Number of Migrants
Baton Rouge LA	2,154
Hammond LA	1,332
Houston TX	1,154
Houma LA	815
Gulfport MS	674
New York NY	520
Lafayette LA	386
Los Angeles CA	355
Atlanta GA	326
Dallas TX	326
Total in-migration	26,539

FROM NEW ORLEANS LA

Houston TX	3,642
Baton Rouge LA	3,587
Hammond LA	2,632
Gulfport MS	1,176
Dallas TX	1,069
Atlanta GA	766
Houma LA	656
Lafayette LA	471
Austin TX	405
Fort Worth TX	366
Total out-migration	40,399
Net migration	**-13,860**

COMMUTER FLOWS

RESIDENTS WHO WORK IN NEO



Top Outside Sources of Jobs

New Orleans LA	Share
Baton Rouge LA	1.5
Hammond LA	0.8
Gulfport MS	0.6
Houma LA	0.5
Lafayette LA	0.1

Sources: Census Bureau, Moody's Analytics, avg 2016-2020

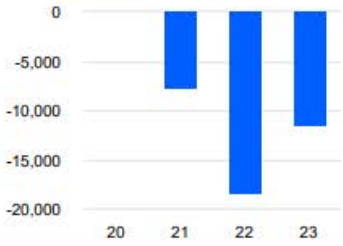
COMMUTER FLOWS

WORKERS WHO LIVE IN NEO

Top Outside Sources of Workers

New Orleans LA	Share
Baton Rouge LA	2.1
Hammond LA	2.0
Houma LA	0.9
Gulfport MS	0.7
Lafayette LA	0.1

NET MIGRATION, #, NEO

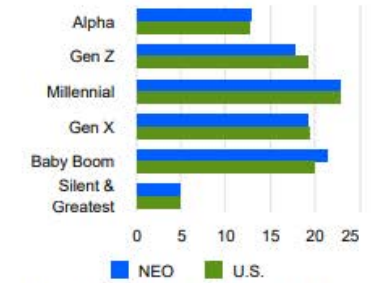


	2020	2021	2022	2023
Domestic	-2,344	-9,061	-21,949	-15,760
Foreign	2,335	1,438	3,698	4,344
Total	-9	-7,623	-18,251	-11,416

Sources: IRS (top), 2022, Census Bureau, Moody's Analytics

GENERATIONAL BREAKDOWN

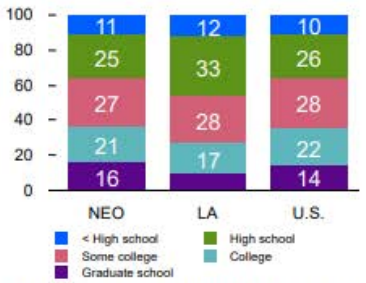
POPULATION BY GENERATION, %



Sources: Census Bureau, Moody's Analytics, 2023

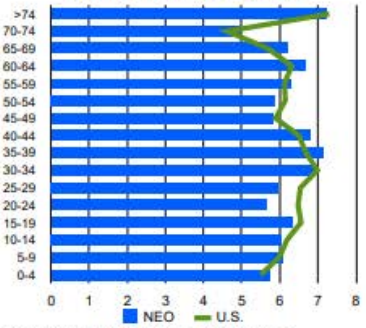
EDUCATIONAL ATTAINMENT

% OF ADULTS 25 AND OLDER



Sources: Census Bureau, ACS, Moody's Analytics, 2023

POPULATION BY AGE, %



Sources: Census Bureau, Moody's Analytics, 2023

SENIOR HEALTHCARE AND COVID-19

The COVID-19 pandemic has placed unprecedented pressure on global healthcare systems and in many circumstances has forced organizations and governments to acknowledge specific weaknesses. As we move farther into 2025, signs of the strength of the seniors market have taken root and recovery in the sector continues to strengthen and the industry is set for a strong year in 2025. In most markets and in most properties, recovery has strengthened more operators are looking for a robust future.

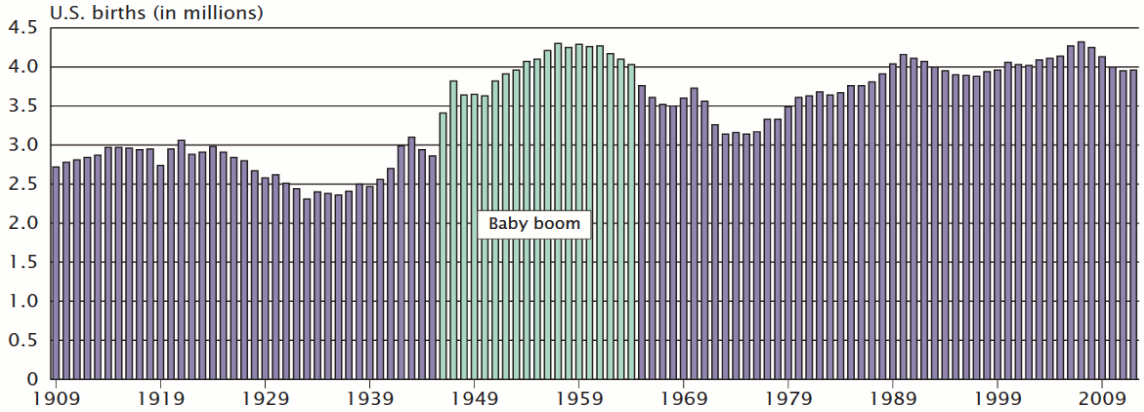
Overview

Overall, the operational market for senior living communities continues to improve. The occupancy rate continues to recover and increased 0.7 percentage points to reach 87.2% as of the fourth quarter of 2024. All the while, the number of occupied senior living units continues to increase to record highs; however, this fact has been true for several quarters.

Increase in operational performance of senior communities continues to be strengthened by a relatively small growth in inventory of only 1.2% which was the smallest Year over year increase since 2011, and many construction projects were stopped or put on hold during the pandemic years of 2020 to 2022. The average asking rate increased by 4.2% as compared to the previous year.

The pricing for senior communities continues to increase from their lower levels on the rolling four quarters of 2024. Overall, pricing for senior living communities has decreased however this is mostly due to smaller and older communities being transacted while the Class A and institutional buyers and sellers are waiting patiently as the market uncertainties play out.

Many operators, investors, lenders, and senior living insiders note the following trend on the chart below. The oldest members of the Baby Boomer generation which started in 1946, highlighted in light green, will turn age 80 in 2026. Most of the current residents within senior living were born in the 1930s, which is a period of low births.

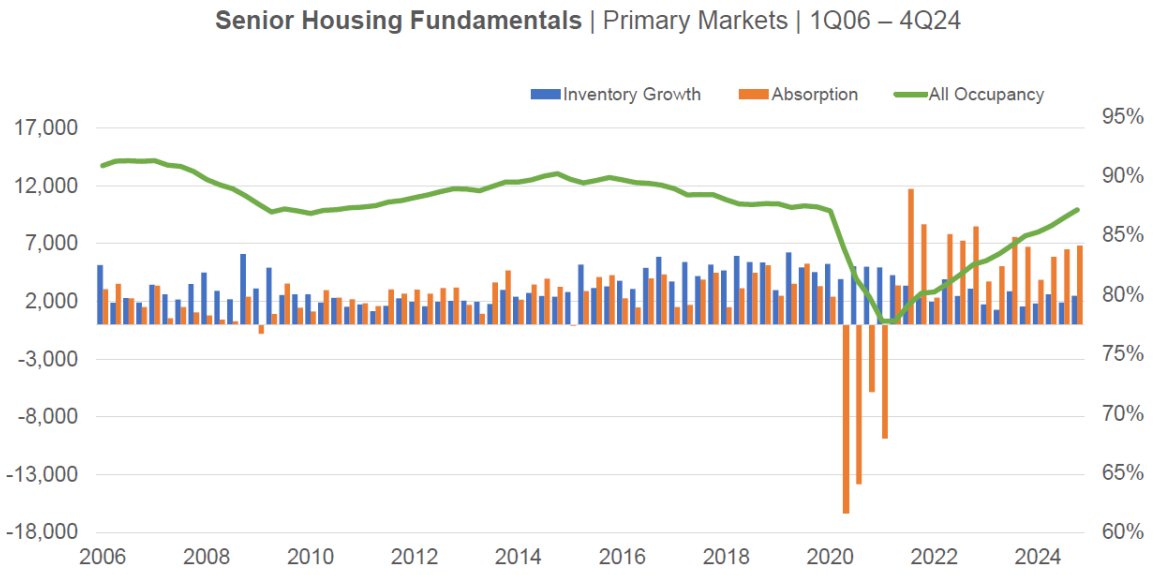


Occupancy Rates

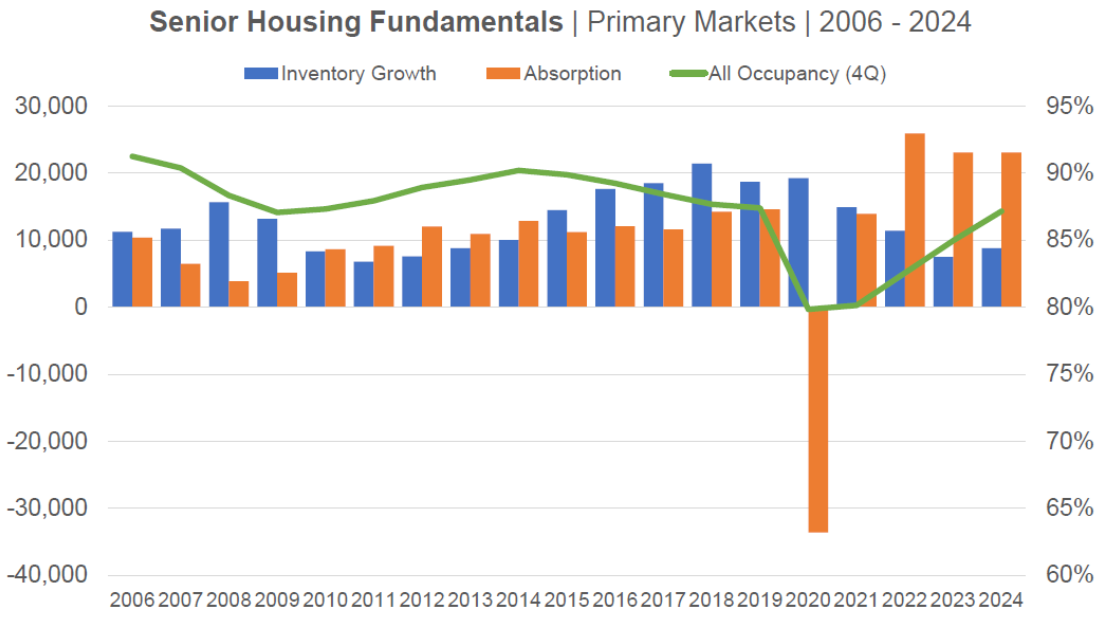
Since the first quarter of 2020, the occupancy rate for seniors housing declined as the COVID 19 pandemic extended month after month. Signs of a trough were indicated as occupancy levels have picked back up from their lows from earlier in 2021. In the fourth quarter of 2024, the occupancy rate for senior housing increased 0.7 percentage points to 87.2% for the 31 primary markets tracked by NIC (National Investment Center), which is the premier data provider within the industry. This marked the 14th consecutive quarter of occupancy gains. The current occupancy rate is 9.4 percentage points above the pandemic through of 77.8% in mid-2021 and 0.1 percentage points above the pre pandemic level of 87.1% in the first quarter of 2020.

The occupancy rate for independent living stands at 88.6% as of the end of 2024, while the rate for assisted living slightly lower at 85.7%. For independent and assisted living, the occupancy rates have increased by over 2.0 percentage points for each level during 2024.

We note that the occupancy rates for assisted living have increased greater than for independent living, which generally reflects the fact the that assisted living is considered more needs based while independent living is considered more of a choice-based decision.



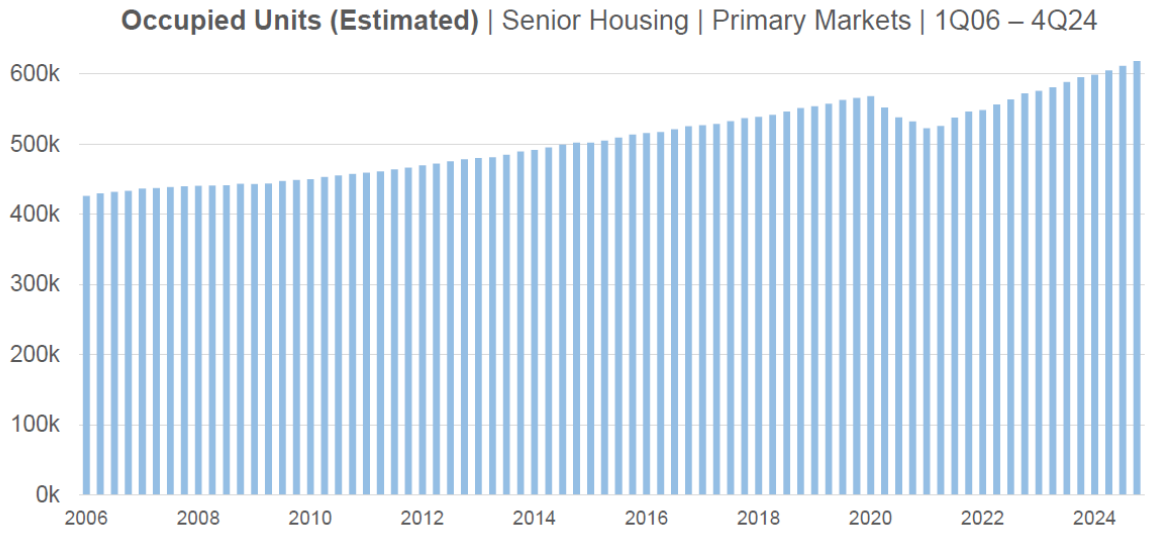
We note that the negative absorption in 2020 and 2021 turn positive at the beginning of 2022 remained very positive over the last three years. Inventory growth has decreased which has aided the turnaround in occupancy along with residents being comfortable returning to senior living communities after the pandemic.



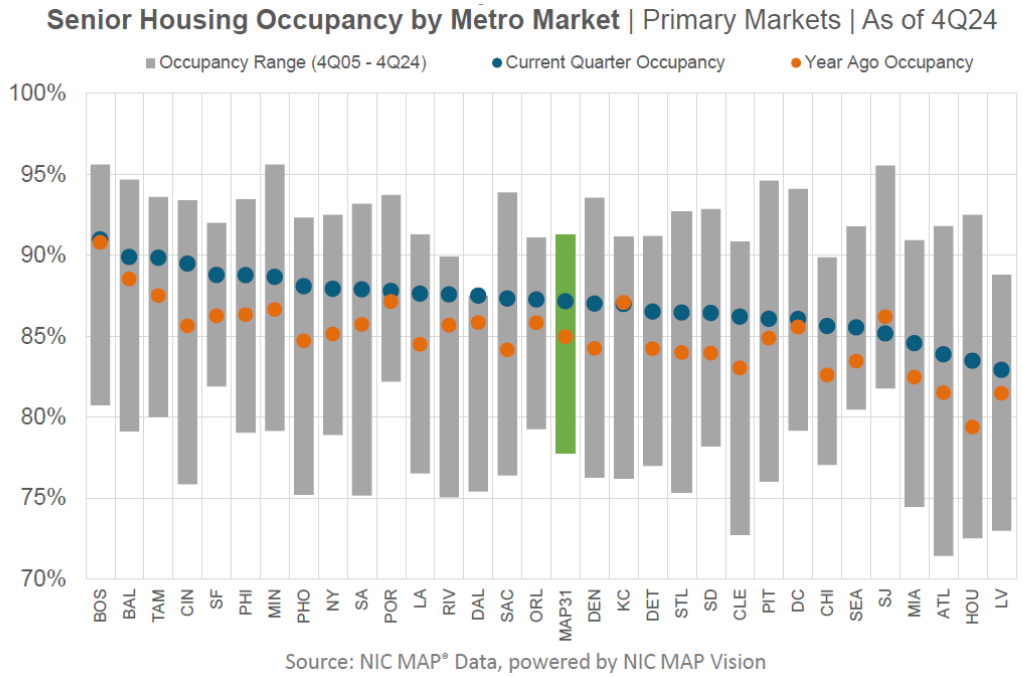
Source: NIC MAP® Data, powered by NIC MAP Vision

We note that the number of occupied units has increased but the overall occupancy percentage has decreased as new supply has come on to the market during the past three years. Nonetheless, this trend of higher occupied senior living units implies that the product type is considered an accepted and needed product line within the real estate market. This is especially true as the baby boomer generation move into senior communities at a higher level over the next few years. It should be noted that in 2025 the oldest baby boomers will turn age 79, which is typically just below the age where many seniors enter into a senior living community. In other words, most of the current residents within senior living communities were born from 1925 to 1945, which is considered a period of demographic weakness within the United States history due to the Great Depression and World War II.

Note that the number of occupied units is now above the start of the pandemic. The number of occupied senior housing units set another record high in the fourth quarter of 2024, rising to more than 618,000 units for the primary markets. Compared to 2020, this is 49,400 more units than were occupied at that point in time.



The growth in the inventory has slowed significantly during the pandemic, which combined with more residents required senior living, has led to an increase in occupancies. In addition, the increased costs of construction materials, decreased occupancy levels in existing facilities, and increased tightening in lending standards has dampened construction starts. Based on these particulars, many senior living operators very bullish on the future.



The chart displays the occupancy rates for each of the 31 primary markets with the gray bars providing the historical occupancy range in each market from the fourth quarter of 2005 to the current date. The highest occupancy rates are in Boston and Baltimore which held relatively steady in 2024, but it should be noted that Cincinnati and Tampa made significant gains throughout the year. Four of the lagging markets made gains as well during the year including Las Vegas, Houston, Miami, and Atlanta. The spread between the highest and lowest occupied markets narrowed to only 8.1 percentage points which is down from a couple of years ago in which there was a double digit spread.

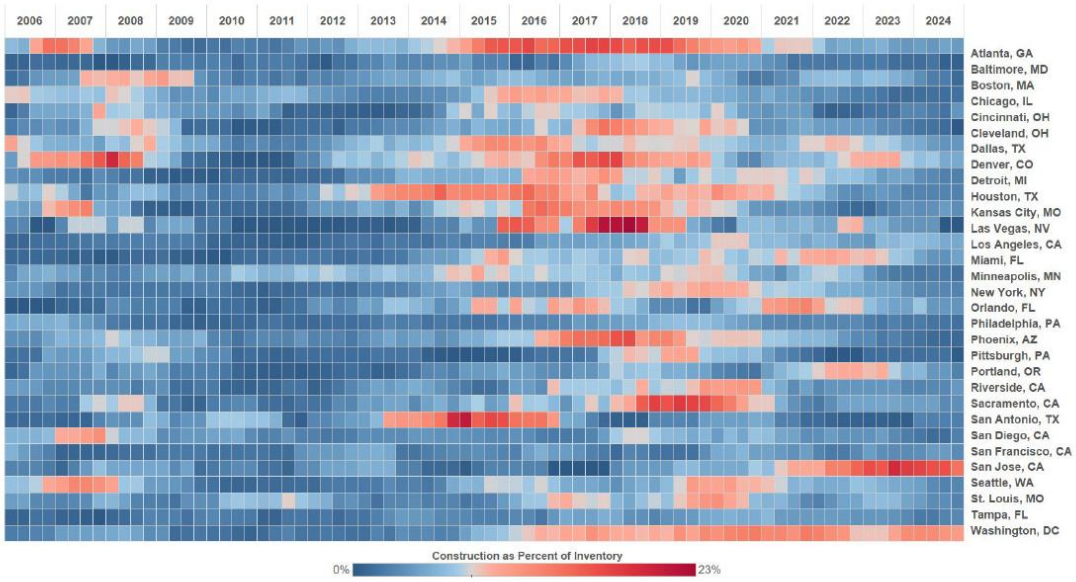
New Construction

As expected, new construction has declined from the peak levels in 2017 and 2018. The market for new construction reach its low in 2023, but had some increases in units in 2024. As the market continues to improve on a fundamental basis, it is expected that new construction projects will increase substantially in the next three to five years. While there are headwinds such as higher construction costs, difficulty obtaining construction labor and labor at the actual senior community, along with increasing regulations, most operators remain optimistic as the baby boomers will hit age 80 which will occur in 2026.

As indicated in the following chart, the bluer tones indicate a lower level of construction activity while red tones indicate areas of higher construction activity. There are an increasing number of markets with no projects under construction, which include Atlanta, Las Vegas, and Cleveland and a few others with very little construction. The markets shaded in red had the most construction as a percentage of the existing inventory as of the fourth quarter of 2024. San Jose is the leader

within this market totaling more than 100 new units in 2024, however; there are an additional 1,000 units currently under construction.

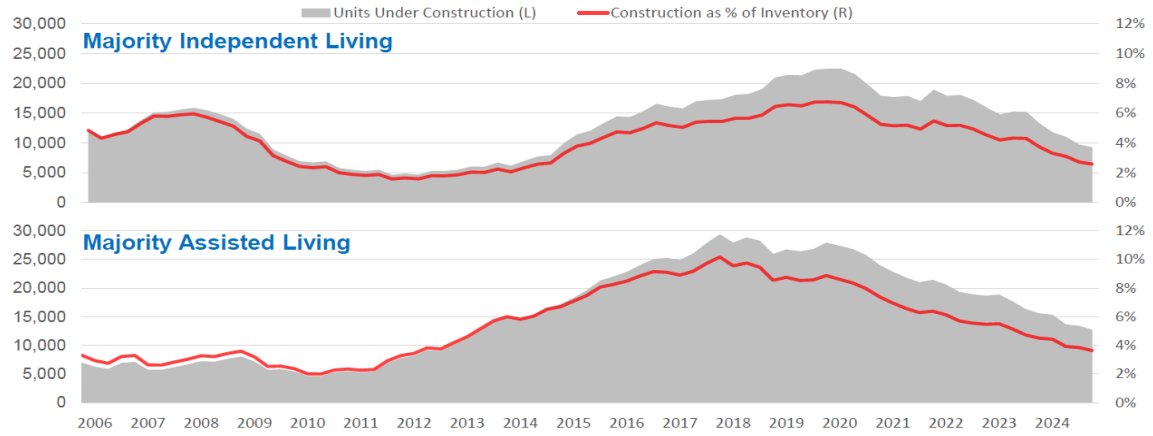
Senior Housing Construction as Percent of Inventory | Primary Markets | 1Q06 – 4Q24



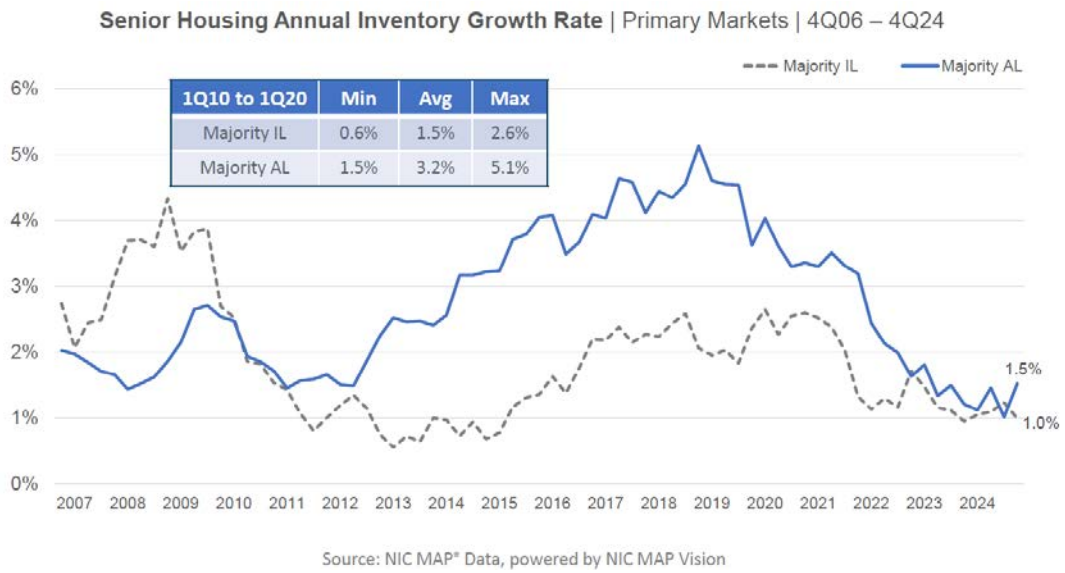
Source: NIC MAP® Data, powered by NIC MAP Vision

Construction activity as a percentage of inventory is at its lowest point since 2011. Overall, it is expected that construction starts will remain low as occupancy rates rebound to pre-pandemic levels, the supply chain issues with construction materials are resolved, and the expense structure for these senior living operators stabilizes from the issues related to staffing and the increased costs associated with operating a senior living community. It is expected that while construction starts will remain muted in most markets, construction will continue in select markets.

Units Under Construction and Construction as Percent of Inventory | Primary Markets | 4Q05 – 4Q24



Source: NIC MAP® Data, powered by NIC MAP Vision



As noted in the chart above, are there declining share of construction activity currently underway that has broken ground within the last 12 months. For senior living communities, it takes an average of 2.4 years for new projects to go from breaking ground to opening for residents. Part of this is due to the larger size that newer communities have become over the past ten years, as the newer communities often have as many as 150 beds or more.

Adult Children and Home Health

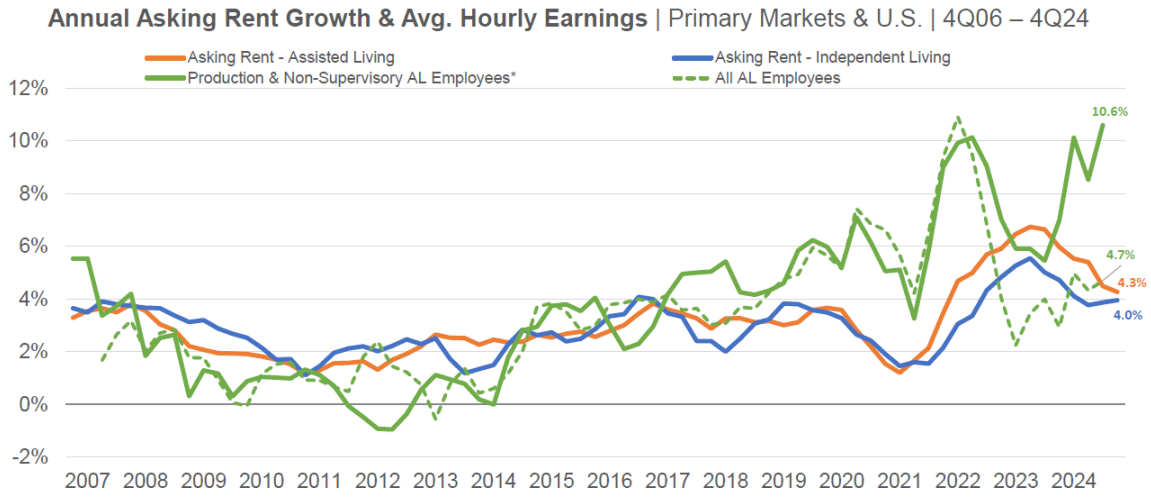
Adult children, many of which are currently juggling the stresses of a combined work and homelife, have taken the responsibility to provide care for older family members. While this situation is adequate for low acuity seniors, the situation will become more difficult as the acuity levels increase within the older population. For the adult children of seniors, the work from home option is starting to subside in some places and decisions will likely need to be made over the next few months of how to care for an aging senior.

The home health industry, which has steadily increased in prominence, often time at the expense of traditional seniors housing services, is dealing with their own distinct set of challenges as the model, with its wide-ranging exposure to the community, is hindered by its inherent risk. The seniors housing industry, driven by its role in caring for one of the nation's largest segments of the population, is positioned to endure and evolve with the times.

Operations

Even before the pandemic, staffing issues were prevalent in the industry. This was an even bigger issue during the pandemic as many senior living communities relied upon agency staffing to fill the gaps when needed. We have found this to be a facility-by-facility issue and a market-by-market issue. In areas of low unemployment, the staffing issues and shortages are greater. Going

forward, most operators see staffing as their biggest challenge. As of 2025, most communities report that agency personnel has been greatly reduced or eliminated.



Source: NIC MAP® Data, powered by NIC MAP Vision, U.S. Bureau of Labor Statistics

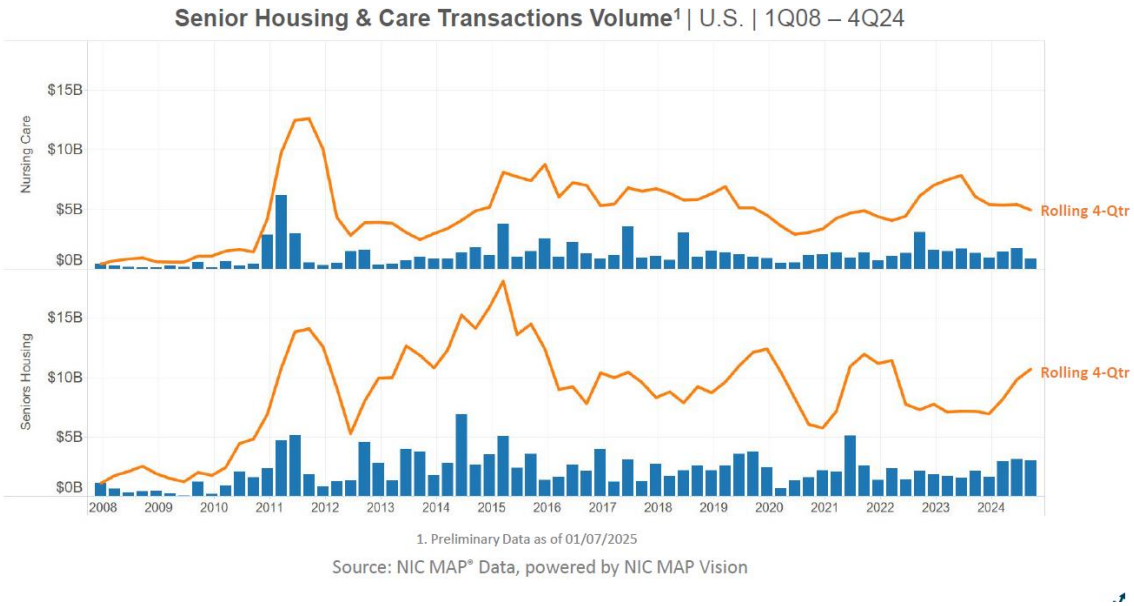
Asking rental rates increased 4.3% for assisted living and 4.0% for independent living in the fourth quarter. We note these growth rates are down from the recent high levels reported in the middle of 2023: however, we note that this is still higher than in previous years. In comparison fourth quarter 2024 wage data from the Bureau of Labor statistics indicate that the average hourly earnings for assisted living employees increased by 10.6% from one year earlier. This illustrates the point that variable rate labor expenses remain elevated and somewhat volatile. The total wage expense for all assisted living employees which includes supervisors and non supervisors grew 4.7% year over year in the fourth quarter, which with an increased generally matches the rental rate increases.

Transactions

There is a significant amount of equity capital on the sidelines ready to invest but the bid ask spreads are still rather wide which limits transactions. The senior living sector is considered one of the most appealing investment sectors in the entire market as the baby boomer population starts to enter the age where senior living will be not just a choice but a need for many of that age cohort.

The banking sector challenges have been a driver of the current restrictive lending environment which continues to slow the transaction market for larger portfolios. The hope is that additional rate cuts will make it easier to refinance properties, particularly those that were financed during

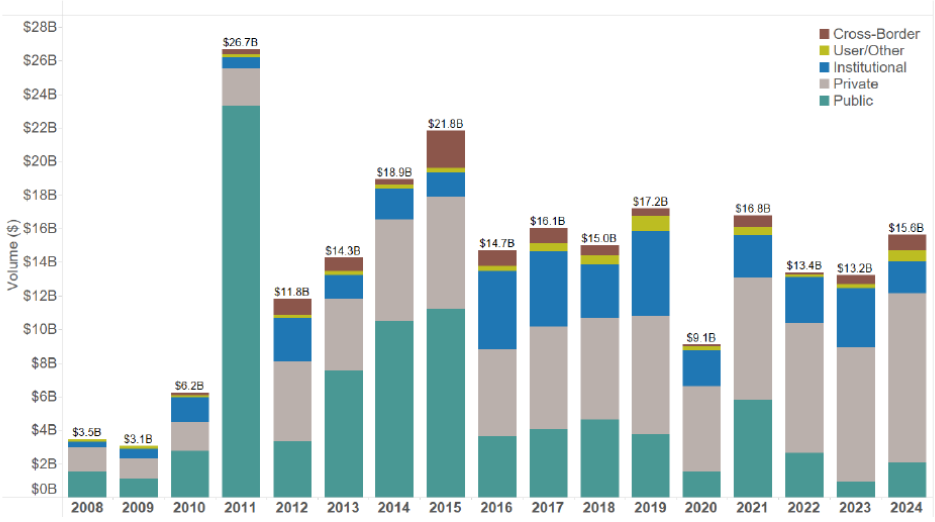
the floating rate years of 2020 and 2021. Currently, the market is cautiously optimistic for an improving interest rate environment.



Reported seniors housing and care closed transaction dollar amount decreased in the fourth quarter of 2024. This was driven by the decrease in nursing care volume which was 51% from the prior quarter. Reported dollar volume for the fourth quarter of 2024 was $3.9 billion which was down 21% from the third quarter of 2024, however; total closed volume was up 12.5%, as compared to the fourth quarter of 2023. Comparing the full year 2023 and 2024, we see that volume increased 18.2% to a total of $15.6 billion.

The increase in volume during 2024 is due in part as the sector continues to strengthen, as investors and operators look at the upcoming demographics that are expected to impact the seniors market. The urban land institute read the seniors market as the second most promising sector for risk adjusted returns commonly behind data centers.

Closed Transactions Senior Housing & Care Volume by Buyer Type[1] | U.S. | 1Q08 – 4Q24



1. Preliminary Data as of 01/07/2024

Source: NIC MAP® Data, powered by NIC MAP Vision

The previous slide depicts transaction volume by buyer type. The public type of buyer is a publicly traded company. The private type of buyer any large institution that is not publicly traded. For example, a private REIT, family office, or a partnership. Institutional type of buyer is the equity funds buyer that manages pension fund money or other types of institutional money. The cross-border buyer represents any buyer from outside the United States.

The private buyers have been more active than the other types of buyers. They have consistently closed over $5.0 billion of transactions each year since 2014. Private buyers registered $10.1 billion in transaction volume in 2024, which represents 65% of the dollar volume. This compares with 60% of the volume in 2023 and 58% of the volume in 2022. From 2020 through 2024, this buyer type averaged 56% of the reported dollar volume.

The public buyer picked up in 2024 however this is from a small base. In 2023, public buyers represented only 7% of the closed dollar volume. This figure picked up to 13% in 2024 increasing from just over $950 million to over $2.0 billion dollars. Cross-border transactions picked up noticeably in 2024 as well, increasing from $551 million to $924 million. The institutional buyer type only represented 12.2% of the transactions in 2024 however, we expect this buyer type to increase in 2025 and beyond.

In terms of properties transacted, 334 communities transacted in the fourth quarter of 2024 of which 227 were senior housing properties and the remaining 107 were nursing care properties.

There continues to be a bifurcation in the trend between senior housing and skilled nursing pricing. Well senior housing price per bed has increased during 2024, The skilled nursing pricing has

decreased. The increase in senior housing pricing ended 2024 at $136,000 per unit, which is an increase of 13.1% from the prior quarter and an increase of 22.6% from one year ago. On the other hand, nursing care ended 2024 at $78,000 per bed, which is roughly flat from the prior quarter and down 13.7% from 2023.

Summary

The Seniors Housing industry has held up as well as could be expected during the COVID 19 pandemic. Some operators and industry insiders believe that there is a large amount of pent-up demand and the industry will continue to rebound in 2025. But, as new facilities came on line during the pandemic, occupancy levels are still lower than before the pandemic in percentage terms. That said, the oldest other baby boomers turn age 80 in the year 2026, which tends to be a time when seniors will consider moving into a community. Most of the residents within senior communities were born between 1925 and 1945, which was a period of low birthrates.

Raising staffing costs and staffing shortages, which were present before the pandemic, accelerated in 2021 to 2024, but have since started to moderate. Many facilities have increased rental rates over the past year. Meanwhile, construction starts have dropped significantly which will aid occupancy levels in future years, especially when combined with increasing development costs due to raw materials and development costs. Overall, the industry has survived the greatest level of stress placed upon it since its inception. The path forward will be filled with opportunities and challenges. The strength and skill of the operator is more important than at any point in the industries relatively young existence. Giving the aging demographics within the United States, the industry is in a prime position to see explosive growth over the next two decades and market participants of all types, including bankers, investors, operators, and the end user themselves, which are the residents are optimistic about the industry's future.

SUPPLY/DEMAND ANALYSIS

In our analysis, supply and demand conditions for the property will be analyzed. The steps that we used in conducting this analysis are as follows:

- Identify the target resident for the property;
- Identify and delineate the primary market area (PMA) for the property;
- Discuss market conditions and influences in the PMA;
- Identify existing and proposed competition in the PMA;
- Analyze the demographic trends relating to the property type in the PMA; and
- Analyze current and future demand in the PMA.

Primary and Competitive Market Area

One of the most important aspects of the analysis is to determine from what area most of the residents reside prior to relocating to the subject or other local competitors.

- Many residents may relocate from another state to be near their adult children
- Operators of senior housing assets typically refer to this as their primary market area: the subject's city limits, county, a distance radius from the subject, or zip codes.

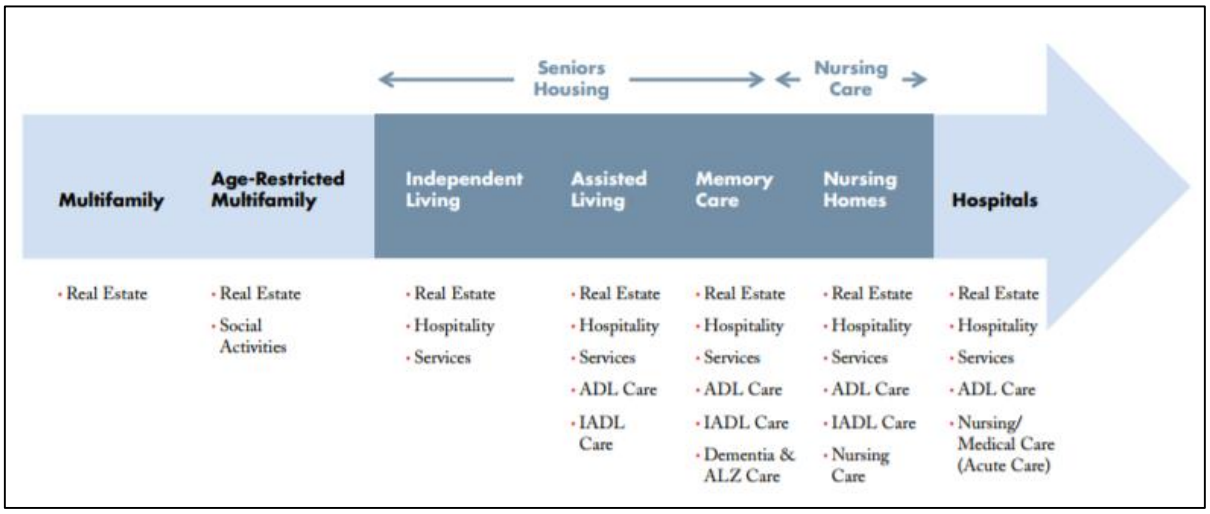
To delineate the subject's PMA, our analysis evaluated industry trends, an interview with the subject's management, as well as representatives at some of the competitive properties we used in our analysis. A study by the Assisted Living Federation of America indicated the following statistics regarding relocation trends for senior housing properties.

Relocation Trends						
Distance	**AL/IL**	**AL**	**AL/MC**	**AL/SNF**	**CCRC**	**Total**
0 to 5 miles	43.5%	40.0%	26.7%	45.8%	52.2%	39.0%
5 to 10 miles	20.0%	20.4%	34.7%	16.7%	16.4%	23.0%
11 to 25 miles	15.3%	20.0%	16.7%	8.3%	13.4%	17.0%
26 to 50 miles	5.9%	7.3%	6.0%	8.3%	6.0%	6.7%
50+ miles	15.3%	12.4%	16.0%	20.8%	11.9%	14.2%

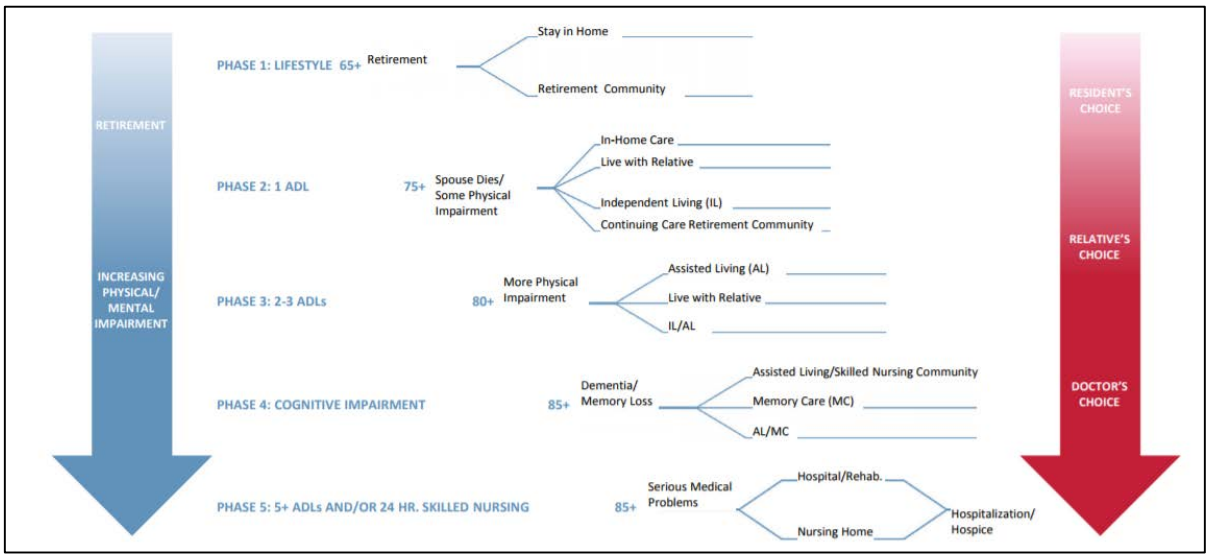
Source: ASHA *Overview of Assisted Living*

While the data is dated, this source is the most recent publication that studied the distances from which seniors experienced is the most recent quantitative measure upon which we can rely.

For reference, the graphic below is extracted from the Seniors Housing primer and illustrates the Spectrum of Seniors Housing options:



The same publication then relates the Spectrum of Seniors Housing options to the aging process in the following graphic:



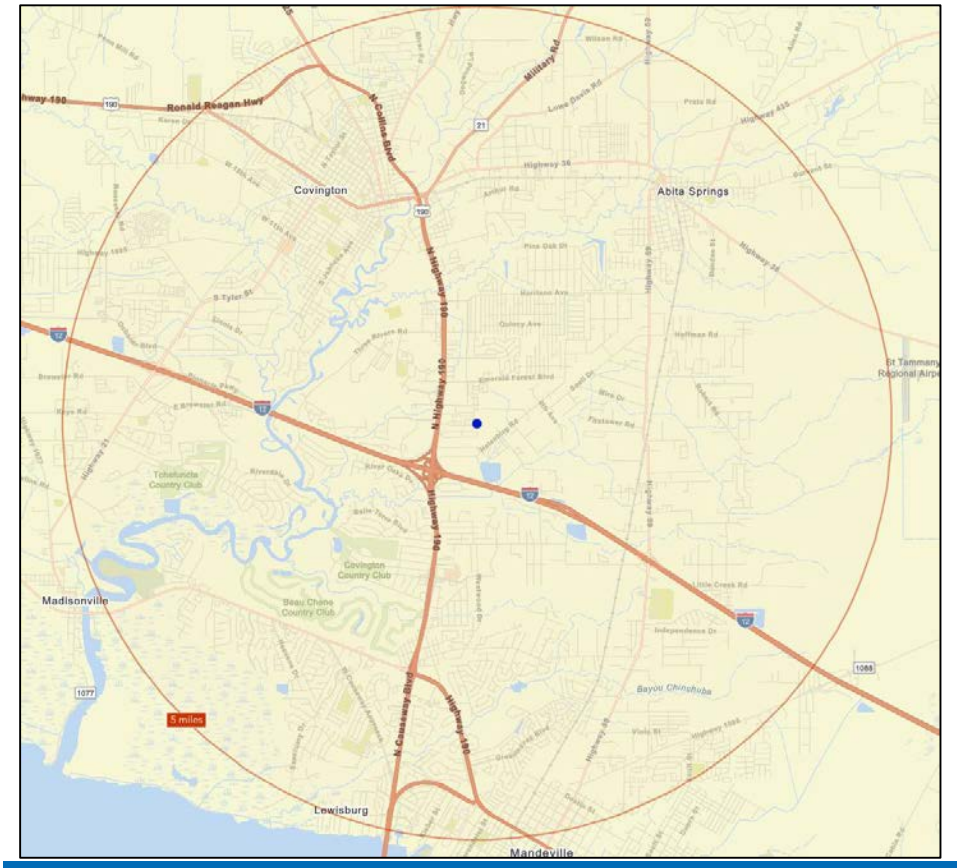
- Within a five- mile radius, 43.5% of residents relocated from their homes to independent and/or assisted living residences and 52.2% moved into the CCRC component

- Within a 10-mile radius, 20% of residents moved into an AL / IL community and 16.4% into CCRC communities.

The amenities near the subject site are additionally considered by investors and operators. The following are examples:

- Proximity to a hospital is an important factor (less so for independent living versus assisted living / memory care and skilled nursing)
- Proximity to geriatric specialties such as cancer and diabetes treatment centers are also given consideration
- Proximity to social amenities such as grocery stores, retail, and restaurants are more important to less acute seniors than those with higher acuity and less mobility.
- Proximity of other communities existing within the subject site. Prospective residents will typically consider a range of five to ten communities when seeking new senior housing arrangements (PMA should typically include a similar supply of competitors).

Based on the data presented, as well as from our analysis of competitive supply, the Primary Market Area (PMA) for the subject property is a radius of approximately 5-miles surrounding the property which is displayed on the following map.



PRIMARY MARKET AREA MAP

DEMAND ESTIMATE

The following analysis of current demand for similar senior housing uses that are situated within the subject's market area will include the following:

- Demographic trends for the local area (delineated from the demographic data presented earlier)
- Statistical data relating to the prevalence of the population requiring assistance with instrumental activities of daily living (IADLs) and activities of daily living (ADLs)
- Projected demand for the subject within its market area.

Age Qualification

ESRI Incorporated compiled the demographic data used in our analysis, which include figures for the most recent census year in 2025 and estimates/projections for the year 2030.

In the following table, we have summarized the senior population for the subject's primary market area which considers 65+ age group for seniors housing while the 45-64 age group represents the adult children.

PMA Population by Age

Age Group	2010	2025	2030	% Change 2010 - 2025	% Change 2025 - 2030
Total Pop.	74,039	89,866	93,734		
45-54	12,271	11,248	11,646	-8.34%	3.54%
55-64	9,614	11,722	11,389	21.93%	-2.84%
65-74	5,044	10,754	11,316	113.20%	5.23%
75-84	3,199	6,052	7,743	89.18%	27.94%
85+	1,367	2,159	2,684	57.94%	24.32%
65+	9,610	18,965	21,743	97.35%	14.65%
75+	4,566	8,211	10,427	79.83%	26.99%
85+	1,367	2,159	2,684	57.94%	24.32%

Acuity Qualification

Assisted Living: Data presented by the US Department of Health & Human Services and the Centers for Disease Control & Prevention reports the number of individuals requiring assistance with activities of daily living and instrumental activities of daily living.

- Instrumental activities of daily living (IADLs) include everyday household chores, doing necessary business, shopping, or getting around for other purposes. We find that individuals requiring assistance with IADLs are mostly in independent living communities.

- Activities of Daily living (ADLs) include needing the help of other persons with bathing or showering, dressing, eating, getting in or out of bed or chairs, using the toilet (including getting to the toilet), and getting around inside the home. We find that individuals requiring assistance with ADLs are mostly in assisted living communities.

The data is distributed on the following chart.

Seniors Requiring Assistance			
	IADLs	ADLs	IADLs and ADLs
Ages 65-74	4.00%	2.00%	6.00%
Ages 75-84	6.60%	3.90%	10.50%
Ages 85 & Over	19.40%	11.60%	31.00%

*Source: Summary of Healthy People: National Health Interview Survey, 2018 US Department of Health & Human Services - Centers for Disease Control & Prevention

For independent and assisted living, we have considered the previously discussed data and these rates have been applied for both the current year and five years forward to the respective senior population by age.

The results in the charts below calculate the age and acuity-qualified population for assisted living within the PMA.

Age & Acuity-Qualified Pop. - Assisted Living					
Year 2025					
	Population		% Demand		Qualified Demand
65-74	10,754	x	3.00%	=	323
75-84	6,052	x	7.00%	=	424
85+	2,159	x	18.00%	=	389
	Qualified Population - Year 2025				1,135
Year 2030					
	Population		% Demand		Qualified Demand
65-74	11,316	x	3.00%	=	339
75-84	7,743	x	7.00%	=	542
85+	2,684	x	18.00%	=	483
	Qualified Population - Year 2030				1,365

Memory Care: As a subset of assisted living, we also have considered the demand for memory care, dementia, or Alzheimer's care within the primary market area. The Alzheimer's Association, a national authority on the state of dementia and related diseases within the U.S., has published the *2020 Alzheimer's Disease Facts and Figures* study that reports the prevalence rate of Alzheimer's disease by age within the United States. This study reports the following:

- There is a total of 5.8 million Americans currently living with Alzheimer's
- The age for Americans living with Alzheimer's and other dementias is approximately 17% are age 65-74; 47% are age 75-84, and the remaining 36% are 85 and over.

We have related these figures to the total U.S. population within the same age groups to estimate the percentage of seniors within each age group living with Alzheimer's. This calculation is as follows:

Prevalence Rate of Alzheimer's / Dementia by Age							
Ages 65-74	17%	x	5.8M	=	986,000	÷ 40,298,479	= 2.45%
Ages 75-84	47%	x	5.8M	=	2,726,000	÷ 26,075,989	= 10.45%
Ages 85+	36%	x	5.8M	=	2,088,000	÷ 6,733,102	= 31.01%

*Source: *2020 Alzheimer's Disease Facts and Figures* - Alzheimer's Association

Applying Alzheimer's prevalence rates to the PMA population results in the following age and acuity-qualified population for those in need of memory care services:

Age & Acuity-Qualified Pop. - Memory Care					
Year 2025					
	Population		% Demand		Qualified Demand
65-74	10,754	x	2.45%	=	263
75-84	6,052	x	10.45%	=	633
85+	2,159	x	31.01%	=	670
	Qualified Population - Year 2025				1,565
Year 2030					
	Population		% Demand		Qualified Demand
65-74	11,316	x	2.45%	=	277
75-84	7,743	x	10.45%	=	809
85+	2,684	x	31.01%	=	832
	Qualified Population - Year 2030				1,919

Income Qualification

For assisted living and memory care the next consideration for the demand calculation is the ability of those seniors to afford such services within the primary market area. In examining rental comparable providing similar services within the PMA, we have determined the minimum monthly rental amount by care type. In addition, we have determined an overall annual income needed for residency within each care type, considering the following factors:

- Monthly fee as a percentage of income, income taxes, and additional income from home equity and other sources.

These assumptions include:

- A monthly fee as percentage of income of 60% for independent living, 85% for assisted living, and 90% for memory care, based on the assumption that as acuity and assistance increases, residents are less likely to have expenses outside of the community.
- Personal tax rates are assumed to be 15%.
- Home equity interest income is estimated at 4% of the median housing value within the PMA multiplied by a 90% average home equity ratio.
- Income from other sources such as the sale of assets that form the balance of the senior's net worth (stocks, bonds, etc.) is also assumed at 5% of the pre-tax income.

Based on the market rent comparables, we estimate that minimum fees in the market are roughly $3,000 per month for assisted living and $4,000 per month for memory care. The minimum rate calculations by care type are presented as follows:

Annual Income Needed			AL	MC
Minimum Monthly Fee			$3,000	$4,000
Monthly Fee as Percentage of Income		÷	85%	90%
After Tax Income Needed (Annual)			$42,353	$53,333
Tax Rate		÷	85%	85%
Pre-tax Income Needed (Annual)			$49,827	$62,745
Less Additional Income from Home Equity		-	$9,407	$9,407
Less Additional Income from Other Sources	@ 5%	-	$2,491	$3,137
Adjusted Annual Income Needed			$37,929	$50,201

The next step is to determine the quantity of seniors within the primary market area which can afford the care needed. Using ESRI data of income levels by age, we have determined the population by income bracket and their proportions of the total population for the current year as well as five years forward. This data is as follows:

PMA Households by HH Income by Age of Householder												
	Ages 65 -74				Ages 75-84				Age 85+			
Income Levels	2025		2030		2025		2030		2025		2030	
Under $15,000	451	6.76%	368	5.25%	315	8.18%	354	7.18%	112	8.18%	123	7.18%
$15,000 - $25,000	481	7.21%	372	5.31%	423	10.99%	440	8.93%	151	10.99%	153	8.93%
$25,000 - $35,000	537	8.04%	442	6.31%	589	15.30%	630	12.78%	210	15.30%	219	12.78%
$35,000 - $50,000	659	9.87%	574	8.19%	611	15.88%	713	14.45%	218	15.88%	247	14.45%
$50,000 - $75,000	1,187	17.78%	1,180	16.84%	724	18.81%	939	19.04%	258	18.81%	326	19.04%
$75,000 - $100,000	848	12.70%	915	13.06%	427	11.09%	593	12.01%	152	11.09%	205	12.01%
$100,000 - $125,000	1,179	17.66%	1,380	19.70%	391	10.15%	613	12.43%	139	10.15%	213	12.43%
$150,000 - $200,000	692	10.37%	938	13.39%	187	4.86%	345	7.00%	67	4.86%	120	7.00%
Over $200,000	641	9.60%	837	11.95%	182	4.73%	305	6.19%	65	4.73%	106	6.19%
Total	6,675	100.00%	7,006	100.00%	3,848	100.00%	4,934	100.00%	1,373	100.00%	1,710	100.00%

As the data is grouped into broad ranges of incomes rather than $1,000 increments, we have assumed an even distribution throughout each bracket. Therefore, if required incomes fall at a point within the range, the data is interpolated based on where that value falls within the income bracket.

Applying the previously determined income requirements for assisted living and memory care results in an income-qualified demand ratio as presented in the following tables. Multiplying the income-qualified demand ratio to the previously-determined age and acuity-qualified demand results in a gross demand figure for each care type, presented as follows:

Income Qualification Ratio - Assisted Living								
			2025	2026	2027	2028	2029	2030
65+ Households with Income above	$38,000		8,329	8,712	9,095	9,477	9,860	10,242
Number of Total Senior Households		÷	11,896	12,247	12,598	12,948	13,299	13,650
Income-qualified Demand Ratio			70.02%	71.14%	72.19%	73.19%	74.14%	75.03%
Age & Acuity-qualified Demand		x	1,135	1,181	1,227	1,273	1,319	1,365
Age, Acuity, & Income-qualified Demand			795	840	886	932	978	1,024
Income Qualification Ratio - Memory Care								
			2025	2026	2027	2028	2029	2030
65+ Households with Income above	$50,000		7,139	7,514	7,889	8,265	8,640	9,015
Number of Total Senior Households		÷	11,896	12,247	12,598	12,948	13,299	13,650
Income-qualified Demand Ratio			60.01%	61.36%	62.63%	63.83%	64.96%	66.04%
Age & Acuity-qualified Demand		x	1,565	1,636	1,707	1,777	1,848	1,919
Age, Acuity, & Income-qualified Demand			939	1,004	1,069	1,134	1,201	1,267

Migration

As the current population is not the only driver of senior living demand, we have also considered the population of adult children within the PMA, as seniors often migrate closer to children when it comes time to enter a nursing home, due to their deteriorate health conditions. This fact is widely recognized by senior housing operators who indicate that market areas exhibiting a higher

concentration of adults between the age of 45 and 65 can generally support a much larger supply of senior housing than would be shown through analyzing only the percentage of seniors currently residing in the market area.

Per the *Overview of Assisted Living*, approximately 38.7% of residents in combined assisted living / skilled nursing facilities (SNFs were not studied alone, nor combined IL/SNFs) migrate from a distance of 11 miles or more, which we consider to be primarily due to being closer to adult children. The national average ratio of adult children age 45-64 to seniors age 75+ is 1.13, while within the PMA it is 1.21. Applying the difference in rates means that the subject will have 38.7% of its seniors migrating towards adult children, which results in 2.7% higher than the national average. As such, we have adjusted the gross demand by 2.7%.

After adjusting for migration, the resulting gross demand is shown as follows:

Gross Assisted Living Demand							
		2025	2026	2027	2028	2029	2030
Gross Demand		795	840	886	932	978	1,024
Inmigration	+	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%
Gross AL Demand (Beds)		816	863	909	957	1,004	1,051
Gross Memory Care Demand							
		2025	2026	2027	2028	2029	2030
Gross Demand		939	1,004	1,069	1,134	1,201	1,267
Inmigration	+	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%
Gross MC Demand (Beds)		965	1,031	1,098	1,165	1,233	1,301

SUPPLY ESTIMATE

The next step in our analysis is to estimate the portion of gross demand already satisfied by the market through existing competitive supply. Accounting for these direct supply sources will allow us to estimate the net demand for new beds/units in the market.

Current and Future Supply

The following chart details the current and future supply of independent living, assisted living, and memory care beds within the subject's defined PMA.

SUPPLY SUMMARY (EFFECTIVE CAPACITY)
Sage Lake Senior Living

	Year: 2025			Year: 2030		
Facility	**IL**	**AL**	**MC**	**IL**	**AL**	**MC**
Existing Facilities						
St. Anthony's Garden	120	57	36	120	57	36
The Trace	-	71	24	-	71	24
The Peristyle at Beau West	-	-	46	-	-	46
Christwood	161	34	29	161	34	29
Brookdale Mandeville	-	52	31	-	52	31
Windsor Senior Living	-	120	-	-	120	-
Avanti Senior Living at Covington	-	50	40	-	50	40
Proposed Facilities						
None	-	-	-	-	-	-
Subject Facility						
Sage Lake Senior Living	-	66	16	-	66	16
Totals	**281**	**450**	**222**	**281**	**450**	**222**

Note: Supply is expressed in beds.

NIC Maps; Data excludes buy-in CCRCs and hospital-based SNF beds.

As shown within the above chart, the PMA has several facilities. In our analysis of the subject's market, we spoke with local planning officials, market participants, as well as reviewed local news publications; as a result of our research, we are not aware of any proposed or under construction senior living facilities within the subject's primary market area.

Informal Caregivers

Additionally, informal caregivers such as family members anecdotally represent a large proportion of care provided to seniors who are otherwise qualified for seniors housing residency. Research completed by the AARP as part of their recent publication "Valuing the Invaluable") states that in

the U.S. there were 40 million family caregivers providing care at any given point in time and providing on average 18 hours of care per week. In Louisiana alone, there were roughly 600 million hours (288,462 FTEs) of informal care provided, with the entire U.S. figure being roughly 19.4 million FTEs.

Since data from the Bureau of Labor Statistics estimates the entire U.S. population of healthcare practitioners, healthcare technical occupations, and healthcare support occupations far lower at roughly 12.0 million, and research data on this topic is sparse, we believe that the literature to date currently provides no reliable method to quantify the proportion of seniors housing demand accounted for by informal caregivers.

However, since this is the final material adjustment needed to our estimated demand figures, it is possible to determine the proportion of demand satisfied by informal caregivers by use of a sensitivity test under the assumption that the national seniors housing market is essentially balanced with respect to independent and assisted living services. We believe this to be a fair assumption considering the significant development activity over the past 20+ years and generally low barriers to entry nationwide.

We have applied our fundamental supply/demand analysis to the national U.S. market (using Environics data for the senior population and NIC MAP data for the number of units/beds by care type) and have determined that the U.S. market is approximately balanced if informal care represents 20% of age, acuity, and income-qualified independent living demand and 30% of age, acuity, and income-qualified assisted living and 50% of age, acuity, and income-qualified memory care demand. These figures seem reasonable on an absolute basis at one-fifth to one-half of demand and also on a relative basis since it is more difficult for a family member to provide care for their loved one as the acuity level increases.

NET DEMAND INDICATION

The final step in our demand estimate is subtracting the existing supply and alternative care options from the gross demand, resulting in a net demand of beds (positive), or an oversupply of beds (negative).

Assisted Living: These calculations are presented as follows for assisted living. As memory care is a subset of assisted living, according to the 2020 Alzheimer's Disease Facts and Figures, typically report that around 42.0% memory care residents overlap with assisted living. Therefore, we have subtracted 42.0% of memory care supply from the assisted living demand to account for overlap in acuity levels.

Net Assisted Living Demand							
		2025	2026	2027	2028	2029	2030
Gross AL Demand (Beds)		816	863	909	957	1,004	1,051
Demand Filled by Informal Caregivers (30%)	-	245	259	273	287	301	315
Memory Care Utilization Ratio (42.0%)	-	19	19	19	19	19	19
Assisted Living Supply	-	450	450	450	450	450	450
Net Assisted Living Demand		102	134	167	200	233	267

According to the calculations, assisted living has current excess demand of 102 beds also with rapid gross annual growth of 47 beds per year which increases demand to 267 beds by 2030.

Memory Care: As memory care is a subset of assisted living, we have subtracted both the memory care supply and standard assisted living supply in our memory care demand calculation. As reported by The Assisted Living Overview, on average 36% of residents in freestanding assisted living residences (those with no secured memory care area) actually do have memory care needs; thus, we have also subtracted 36% of the assisted living supply from the gross memory care demand. Similarly, we estimate that approximately 10% of residents in the PMA's nursing facilities have memory care needs in addition to their ADL needs, and we have subtracted this amount as well. This is adjustment is intended to reflect seniors whose ADL needs make them appropriate for a skilled nursing setting but who also have dementia care needs and therefore appear in the gross demand numbers prior to the adjustment.

Net Memory Care Demand							
		2025	2026	2027	2028	2029	2030
Gross MC Demand (Beds)		965	1,031	1,098	1,165	1,233	1,301
Demand Filled by Informal Caregivers (50%)	-	482	515	549	582	616	651
Demand Filled by ALRs (36% of AL supply)	-	43	43	43	43	43	43
Demand Filled by SNFs (10% of SN supply)	-	0	0	0	0	0	0
Memory Care Supply	-	222	222	222	222	222	222
Net Memory Care Demand		217	250	284	317	351	385

According to the calculations, the memory care segment has current excess demand of 217 beds with strong gross annual growth of 67 beds per year to 2030 excess demand of 385 beds.

Conclusion: The subject's PMA currently shows surplus demand for assisted living and memory care services. Demand factors for senior housing services are expected to strengthen over the next five years, which bodes well for the community. The indicated demand is sufficient to absorb any of the subject's vacant beds if they become available. In all, we believe that the subject will remain at stabilized levels and, thus, will be well occupied for the foreseeable future.

Subject Property Analysis

MANAGEMENT REVIEW

The management entity for the subject is Integral Senior Living Management, LLC.

Management maintains a personalized service plan, which can be amended if necessary. All potential residents undergo a health evaluation before entrance into the facility. Furthermore, the aging-in-place and out-placement policies appear to be reasonable and well implemented. Services at the facility are typical for this type of senior living property. As such, we conclude the subject's ability, if needed, to attract a third-party management vendor would be good. Our analysis assumes industry-consistent staffing levels and that the subject meets all mandated staffing thresholds.

FACILITY LICENSE

The subject is licensed as follows.

License Capacity	
Assisted Living:	120 Beds
Total	**120 Beds**

PROPERTY STRENGTHS AND WEAKNESSES

Based on our review of the subject's physical plant and reported operations, we have summarized what we consider to be the strengths and weaknesses for the property. These are presented in the following summary.

Sage Lake Senior Living
Strengths:
• Very good reputation in local market area for quality care • Good quality FF&E • Physical plant is well maintained and subject has good curb appeal • No deferred maintenance • Historically stable census • Facility has a modern design with above average common areas • Good residential feel • Good indicated demand with strong growth
Weaknesses:
• Staffing issues remain an industry-wide problem

Site Features	
Street Address:	1444 Andrew Dr, Covington, Saint Tammany County, Louisiana 70433
Site Size:	289,238± square feet; 6.64± acres (source: Assessment Records)
Excess Land:	The improvements take up substantially the entire subject site; there is no excess land.
Shape:	The site is roughly rectangular.
Frontage:	Site is not a corner lot; primary frontage is along Andrew Drive.
Access:	Property has average access.
Visibility:	Average
Topography:	The subject has level topography and is at street grade.
Utilities:	The subject is served by utilities that are typical for the market area.
Wetlands/Watershed:	The entire site is usable.
Environmental Issues:	During our site visit we noted no hazardous substances, adverse soil conditions, or environmental issues. Please reference Limiting Conditions and Assumptions.
Encumbrance/Easements:	We were not provided with a survey for the subject site and assume that there are no adverse encumbrances or easements. We assume that the site has typical drainage and utility easements along the perimeter. Please reference Limiting Conditions and Assumptions.
Site Comments:	The site seems to have good overall utility that is functional for the intended use.
Flood Zone:	The subject property is located on FEMA Map Number 2252050240E, dated August 16, 1995, and has a designation of FEMA Zone X (shaded). In this district, flood insurance is not mandatory. This is an area of moderate flood hazard, usually the area between the limits of the 100-year and 500-year (0.2% annual chance) floods. This zone is also used to designate base floodplains of lesser hazards, such as areas protected by levees from 100-year

flood, or shallow flooding areas with average depths of less than one foot or drainage areas less than one square mile.

Site Improvements	
Site Description:	The site plan consists of one access point on the west side of the site off of Andrew Drive. This access drive leads around the entire site and has parking all along the way. The building improvements are at the center of the site.
Site Improvements:	These improvements primarily include signage, pole-mounted lighting, parking areas, and a concrete walkway.
Parking:	71 parking spaces, including 4 spaces designated for handicapped use.

ZONING

The subject property is zoned Planned Business Campus (PBC-1) by the St. Tammany Parish County . The purpose of the PBC-1 district is to provide for Class A office space with supporting uses in a campus-type setting. This district is located particularly near the intersection of major arterials or a major and a minor arterial. The PBC-1 district is intended to provide flexibility in meeting the needs of both the public and private sectors for large-scale office development. Permitted uses include offices, multi-residential dwelling, hotels, colleges, restaurants, and mixed use centers. An assisted living facility is permitted under this district as it is considered a multi-residential dwelling.

We are not experts in the interpretation of zoning ordinances. A qualified land use/zoning expert should be engaged if there are any zoning concerns or if a determination of compliance with zoning is required.

Please note that analyzing the zoning requirements in relation to the subject property and determining conformance of the existing use, as well as researching deed restrictions, private or public, that may further limit the subject property's use is beyond the scope of this appraisal assignment. Deed restrictions are a legal matter and only a title examination by an attorney or Title Company can usually uncover such restrictive covenants. Thus, we recommend a title search to determine if any such restrictions do exist.

BUILDING IMPROVEMENTS

The subject is an existing assisted living and memory care facility that was built in 2020. The subject Is a one-story in height and the improvements are of excellent quality construction and are in excellent condition. The building contains the commercial kitchen, dining room, therapy room, maintenance office, laundry, and a salon. A summary of the unit mix is presented as follows:

UNIT MIX AND DISTRIBUTION
Sage Lake Senior Living

	Assisted Living		Memory Care		Total	
Unit / Bed Mix	**Units**	**Beds**	**Units**	**Beds**	**Units**	**Beds**
Studio	32	32	16	16	48	48
One-bedroom	22	22			22	22
Two-bedroom	12	12			12	12
Totals	66	66	16	16	82	82
Unit Distribution						
Studio	48.5%		100.0%			58.5%
One-bedroom	33.3%					26.8%
Two-bedroom	18.2%					14.6%
Building Metrics						
Gross Building Area (GBA)						68,478

Compiled by Newmark

General Description	
Property Type:	Assisted Living Residence with Memory Care
Year Built:	2020
Renovated:	None
# of Buildings / Stories:	One / One
Gross Building Area:	68,478± square feet (source: Management)
Quality:	Above Average
Condition:	Above Average
Deferred Maintenance:	We noted no signs of deferred maintenance during our inspection.
MVS Ratings:	Excellent quality / Class D construction
Remaining Life:	Via the utilization of Marshall Valuation Service, we estimate the subject has a total life expectancy of 60 years. With consideration of the subject's age and condition, among other factors, we estimate the subject's effective age is 2 years which results in a remaining useful life estimate of 58 years. We also estimate the subject's remaining economic life at 58 years.

Foundation, Frame & Exterior	
Foundation:	Poured concrete slab
Basement:	None
Structural Frame:	Wood Frame
Exterior Wall Cover:	Vinyl stone and wood siding
Windows:	Double pane in aluminum frames
Roof Type / Cover:	Hip / Asphalt Shingle

Interior Description	
Floor Cover:	A mix between vinyl sheet / VCT, carpet, vinyl flooring, and tile.
Interior Wall Cover:	Painted Drywall
Ceiling:	Painted Drywall
Interior Lighting:	A mix of fluorescent and incandescent lighting.
Common Restrooms:	The facility appears to have a sufficient number of common area restrooms that are accessible to staff, residents and/or guests
Resident Rooms:	Finishes within the resident unit include carpet flooring in the living areas, carpet in the bedrooms, and tile in the bathroom. Base lighting throughout each unit.
In-Unit Kitchens:	Some assisted living units have a kitchenette with a refrigerator, sink, microwave, and wooden cabinetry. The rest of the facility is serviced by a community kitchen.
In-Unit Bathrooms:	Each unit has a full bathroom with a sink, walk-in shower, and toilet.

Mechanical Systems	
Heating/Cooling:	Central air
Sprinkler:	The improvements are fully fire sprinklered with a wet system.
Elevators:	None
Security:	Secured memory care wing with keypad ingress/egress and pull-cords in units.
Emergency Power:	Improvements have a backup powered generator.

FF&E / Personal Property

Personal property (furnishings, fixtures and equipment) which is considered in our value estimates include all of the equipment required to operate the building as an assisted living residence with memory care. This equipment includes all common area, any operator provided room furnishings, kitchen equipment, and laundry equipment. Residents may bring their own furnishings.

REAL ESTATE ASSESSMENT AND TAXES

The subject's assessment is determined by Saint Tammany County. The following chart shows the subject's parcel identification number as well as the most recent tax assessor market value estimates, tax assessment, and taxes. In St. Tammany Parish, Louisiana, commercial improvements are assessed at 15% of fair market value, while land is assessed at 10%. The subject property is taxed based on these assessment ratios, with the improvement and land components each assessed accordingly. There is also $10,711.08 in non-ad valorem taxes which are not on the table below. There is also $474.13 in non-ad valorem taxes associated with the personal property taxes.

SUBJECT TAXES

Sage Lake Senior Living

	Tax Assessor Market Values:			Real Property:		Personal Property:	
Parcel ID	Land	Building	Total	Assessment	Taxes	Assessment	Taxes
34154	$888,890	$9,986,267	$10,875,157	$1,586,826	$185,072	$61,972	$8,192
Totals:	$888,890	$9,986,267	$10,875,157	$1,586,826	$185,072	$61,972	$8,192
Per Bed:				$19,352	$2,257	$756	$100

Taxing Authority/Jurisdiction:	Saint Tammany County	
Tax Year:	2024	
Real Property Millage Rate:	116.63000	Per $1,000
Real Property Assessment Ratio:	See Comments	
Personal Property Millage Rate:	116.63000	Per $1,000
Personal Property Assessment Ratio:	See Comments	
Total Real & Personal Property Taxes:	**$193,000**	**(Rounded)**

As market value conclusions are predicated on the sale of the subject as of the effective date of the report. According to our conversation with a representative at the assessor's office, a sale of the subject property would not automatically trigger a reassessment.

Property Tax Comparisons

To determine if our assessed value and corresponding taxes on the property are reasonable, we examined the actual assessed value of other similar type properties throughout the area and compared them to the subject on a 'per bed' basis. We find it reasonable to compare the assessed value rather than the resultant taxes since tax comparables often carry varying municipal millage rates. Therefore, the 'per bed' assessed value is the most direct means of comparison. Please note that the subsequent tax comparison analysis includes real property only as personal property assessments are often self-reported and can vary greatly depending on accounting methods and depreciation schedules.

For senior living facilities, few assessors have the knowledge, expertise or training to accurately value such properties. Part of the value of a well performing seniors housing property is intangible

business value, which is not subject to ad valorem taxation. As under-assessments are typical, another means for evaluating an assessed value is to compare assessed values for similar properties in the same, or nearby, assessment districts.

These are illustrated in the following table.

REAL PROPERTY TAX COMPARISON
Sage Lake Senior Living

Property Name	Year Built	No. of Beds	Assessed Values: Total	Per Bed
Christwood	1996	254	$2,540,578	**$10,002**
Avanti Senior Living at Covington	2017	90	$1,549,212	**$17,213**
The Peristyle at Beau West	2014	46	$483,120	**$10,503**
The Trace	2009	95	$1,724,724	**$18,155**
Subject - Current Sage Lake Senior Living	**2020**	**82**	$1,586,826	$19,352

On a per bed basis, the subject's assessed value are above the range of the comparables. We have estimated property to increase by 3.0% in our proforma. In all, we estimate a combined real and personal property tax liability of $210,000 (rounded) is reasonable for the subject. This estimate is used in our Year 1 stabilized proforma for the Income Capitalization Approach.

Highest And Best Use

HIGHEST AND BEST OF SITE AS IF VACANT

Legally Permissible

The site is zoned PBC-1. The purpose of the PBC-1 district is to provide for Class A office space with supporting uses in a campus-type setting. This district is located particularly near the intersection of major arterials or a major and a minor arterial. The PBC-1 district is intended to provide flexibility in meeting the needs of both the public and private sectors for large-scale office development. Permitted uses include offices, multi-residential dwelling, hotels, colleges, restaurants, and mixed use centers. An assisted living facility is permitted under this district as it is considered a multi-residential dwelling. Aside from the site's zoning regulations, we are not aware of any legal restrictions that limit the potential uses of the subject.

Physically Possible

The subject site contains 6.64± acres, and the overall utility of the site is considered good. The site is served by all public utilities including public water and sewer, gas, electric, and telephone. Overall, the site is considered adequate to accommodate most permitted development possibilities.

Financial Feasibility and Maximum Profitability

After analyzing the physically possible and legally permissible uses of the property, the highest and best use must be considered in light of financial feasibility and maximum profitability.

To be feasible, a potential use would need to provide a sufficient return on capital and a positive net income or acceptable rate of return would indicate that a use is financially feasible. Of the uses that are allowed, the one that is maximally productive would be considered the highest and best use.

As will be shown, the stabilized market value estimate for the subject property (TAB) indicates that the subject improvements are an economically feasible use of the land.

Considering all factors involved, including zoning, physical characteristics, the financial feasibility of these uses, as well as the current market conditions, we have concluded that the highest and best use of the site, as if vacant, is for immediate development with a senior housing use. The most probable buyer would be a regional or national seniors housing developer.

HIGHEST AND BEST USE AS IMPROVED

According to the Dictionary of Real Estate Appraisal, highest and best use of the property as improved is defined as:

> *The use that should be made of a property as it exists. An existing improvement should be renovated or retained "as is" so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.*

In analyzing the highest and best use of a property as improved, it is recognized that the improvements should continue to be used until it is financially advantageous to alter physical elements of the structure or to demolish it and build a new one. The highest and best use as improved must meet the same criteria as the highest and best use as though vacant.

The current use as an assisted living residence with memory care is a permitted use of the land. The design, layout, as well as average size per bed of the facility are consistent with industry norms for this property type in this market and appear to be functional for the current use. We know of no municipal actions or covenants forthcoming that would require a change to the current improvements.

Alternative uses for the improvements, however, would be limited due to the overall design of the subject. These include smaller resident units, specialty healthcare build out, no individual cooking facilities, shared baths, high common area ratio, and no exterior unit entrances. As a result, any conversion to an alternative use would be costly. As such, it is our opinion that the highest and best use is as currently improved. The most probable buyer is a regional or national seniors housing operator or investor.

Appraisal Methodology

COST APPROACH

The cost approach is based on the proposition that the informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements that represent the highest and best use of the land, or when it is improved with relatively unique or specialized improvements for which there exist few sales or leases of comparable properties.

SALES COMPARISON APPROACH

The sales comparison approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject. Valuation is typically accomplished using physical units of comparison such as price per square foot, price per unit, price per floor, etc., or economic units of comparison such as gross rent multiplier. Adjustments are applied to the property units of comparison derived from the comparable sale. The unit of comparison chosen for the subject is then used to yield a total value.

INCOME CAPITALIZATION APPROACH

The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

Applicability Of Approaches

The appraisal process concludes with the Final Reconciliation of the values derived from the approaches applied for a single estimate of market value. Different properties require different means of analysis and lend themselves to one approach over the others. The approaches that were used in the analysis of the subject are as follows:

- The Cost Approach was considered and was not developed because the age of the improvements makes depreciation difficult to accurately measure. Additionally, the most probable purchaser would place no weight on this approach.
- The Sales Comparison Approach was considered and was developed because there is adequate data to develop a value estimate, and this approach reflects market behavior for this property type.
- The Income Capitalization Approach was considered and was developed because the subject is an income producing property and there is adequate data to develop a value estimate with this approach.

Sales Comparison Approach

The sales comparison approach value is derived by analyzing closed sales, listings, or pending sales of properties that are similar to the subject. The sales comparison approach includes the following steps.

- Research and verify information on properties in the competitive market that are similar to the subject and that have recently sold, are listed for sale, or are under contract.
- Select the most relevant units of comparison in the market and develop a comparative analysis. The most meaningful unit of values for properties such as the subject is price per square foot, price per unit and/or bed.
- Examine and quantify via adjustments differences between the comparable sales and the subject property using all appropriate elements of comparison.
- Reconcile the various value indications to a value bracket and then a single value indication.

This approach is utilized to provide a value estimate of the subject in “As Is” condition.

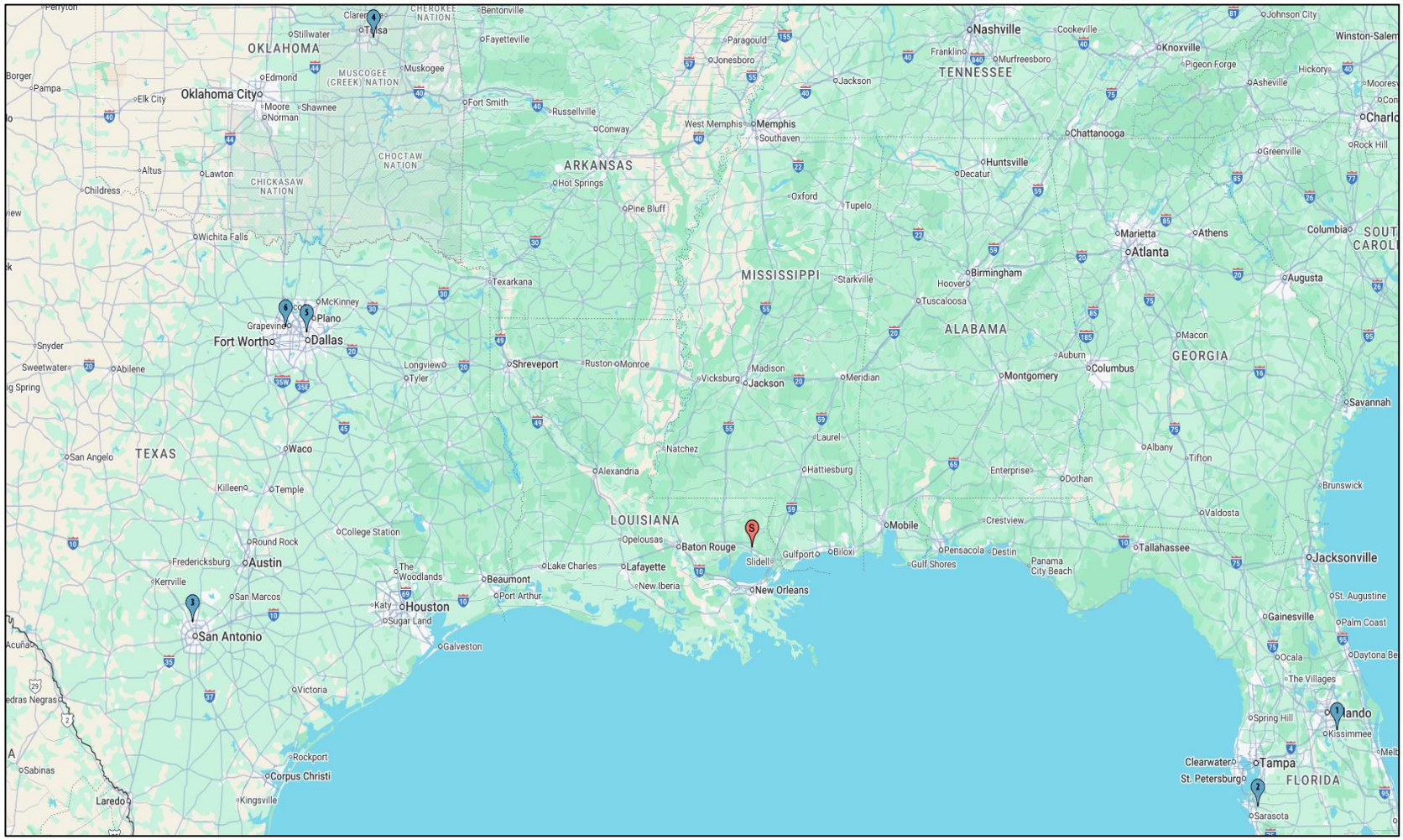
SELECTION OF SALE COMPARABLES

We conducted our search for comparable sales on the regional level since there are typically not enough recent sales of comparable facilities in a single state to reliably perform a sales comparison analysis. Our search for comparable sales resulted in multiple transactions that are useful in estimating value of the subject property. While this search provided several sales, the selected comparables are among the most similar to the subject. A chart providing an overview of the comparable sales utilized in our analysis is presented below; a location map and data sheets for each comparable are also included on the following pages.

IMPROVED SALES SUMMARY

Comp	Name	State	Date	Price	Price/Bed	No. of Beds	Year Built
1	Benton House of Narcoossee	Florida	Sep-24	$17,900,000	$248,611	72	2022
2	The Summit at Lakewood Ranch	Florida	Jan-24	$27,500,000	$235,043	117	2016
3	Heartis San Antonio	Texas	Jul-23	$36,000,000	$330,275	109	2015
4	Prairie House Assisted Living and Memory Care	Oklahoma	Jun-23	$25,750,000	$245,238	105	2016
5	The Preston of the Park Cities	Texas	Mar-23	$52,000,000	$390,977	133	2018
6	Dancing River	Texas	Dec-22	$25,000,000	$297,619	84	2010

Improved Sales Map



SENIOR HOUSING TRANSACTION COMPARABLE 1

Facility Name	**Benton House of Narcoossee**
Address	2910 N Narcoossee Rd Saint Cloud, Florida
Folio Parcel ID	08-25-31-3564-0001-00D0
Property Type	Assisted Living Residence with Memory Care

Transaction Data

Transaction Price	**$17,900,000**	**Transaction Status**	**Closed**
Price Per Bed	**$248,611**	**Transaction Date**	**September 2024**
Rights Conveyed	Fee Simple	**Recording Number**	6677-0795
Conditions of Sale	Arms-Length	**Financing**	Typical
Grantor	Narcoossee SLP LLC		
Grantee	Sonida St Cloud LLC		
Verification Source	Broker		

Site & Improvements

Year Built	2022	**Building Size (GBA)**	49,011 SF
Number of Beds	72	**Number of Stories**	1
Building Condition	Above Average	**Land Acres**	4.180 Acres
Building Quality	Above Average	**Land Square Feet**	182,081 SF
Flood Zone	Zone AE		

Financial Data

CAP Rate (OAR)	7.75%
Occupancy	93.0%

Remarks

The property formerly known as Benton House of Narcoossee was sold and subsequently rebranded as The Addison of Narcoossee. The sale was part of a broader portfolio acquisition by a national senior housing operator and included several newly developed assisted living and memory care communities. At the time of sale, the property was operating at stabilized levels, and the broker identified the market as experiencing growth and continued demand for senior housing services.

SENIOR HOUSING TRANSACTION COMPARABLE 2

Facility Name	**The Summit at Lakewood Ranch**
Address	11705 Evening Walk Dr Bradenton, Florida
Folio Parcel ID	5832-0605-9
Property Type	Assisted Living Residence with Memory Care

Transaction Data

Transaction Price	**$27,500,000**	**Transaction Status**	**Closed**
Price Per Bed	**$235,043**	**Transaction Date**	**January 2024**
Rights Conveyed	Fee Simple	**Recording Number**	202441005762
Conditions of Sale	Arms-Length	**Financing**	Typical
Grantor	SHI-II SLD Lakewood Ranch, LLC		
Grantee	Lakewood Ranch, LLC		
Verification Source	Confidential		

Site & Improvements

Year Built	2016	**Building Size (GBA)**	109,010 SF
Number of Beds	117	**Number of Stories**	4
Building Condition	Above Average	**Land Acres**	7.014 Acres
Building Quality	Above Average	**Land Square Feet**	305,535 SF
Flood Zone	Zone X		

Financial Data

CAP Rate (OAR)	8.01%
Occupancy	89.0%

Remarks

Chicago Pacific Founders (CPF) and its subsidiaries, CPF Living Communities and Grace Management Inc., have acquired The Summit of Lakewood Ranch in Lakewood Ranch, approximately 40 miles south of Tampa. The community offers assisted living and memory care. The community will be managed by Grace Management, Inc. Chicago Pacific Founders plans to invest in improvements for the community to enhance the quality of life for all stakeholders.

SENIOR HOUSING TRANSACTION COMPARABLE 3

Facility Name	**Heartis San Antonio**
Address	15430 Huebner Rd San Antonio, Texas
Folio Parcel ID	16902-023-0060
Property Type	Assisted Living Residence with Memory Care

Transaction Data

Transaction Price	**$36,000,000**	**Transaction Status**	**Closed**
Price Per Bed	**$330,275**	**Transaction Date**	**July 2023**
Rights Conveyed	Fee Simple	**Recording Number**	20230131414
Conditions of Sale	Arms-Length	**Financing**	Typical
Grantor	Heartis San Antonio Partners LP		
Grantee	15430 Huebner Road Property Owner LLC		
Verification Source	Confidential		

Site & Improvements

Year Built	2015	**Building Size (GBA)**	86,668 SF
Number of Beds	109	**Number of Stories**	3
Building Condition	Above Average	**Land Acres**	3.640 Acres
Building Quality	Above Average	**Land Square Feet**	158,558 SF
Flood Zone	Zone X		

Financial Data

CAP Rate (OAR)	7.00%
Occupancy	88.0%

Remarks

This sale was a 101-unit assisted living and memory care complex in far North Central San Antonio. There was a reported 7% cap rate yielding a net operating income of $2,520,000.

SENIOR HOUSING TRANSACTION COMPARABLE 4

Facility Name	**Prairie House Assisted Living and Memory Care**
Address	2450 North Stoneridge Drive Broken Arrow, Oklahoma
Folio Parcel ID	78560-94-34-00020
Property Type	Assisted Living Residence with Memory Care

Transaction Data

Transaction Price	**$25,750,000**	**Transaction Status**	**Closed**
Price Per Bed	**$245,238**	**Transaction Date**	**June 2023**
Rights Conveyed	Fee Simple	**Recording Number**	
Conditions of Sale	Arms-Length	**Financing**	Conventional
Grantor	Prevarian		
Grantee	Legend Senior Living		

Site & Improvements

Year Built	2016	**Building Size (GBA)**	90,317 SF
Number of Beds	105	**Number of Stories**	Two
Building Condition	Above Average	**Land Acres**	5.400 Acres
Building Quality	Above Average	**Land Square Feet**	235,224 SF
Flood Zone	Zone X		

Financial Data

CAP Rate (OAR)	6.50%

Remarks

Legend Senior Living announced the purchase of Prairie House Assisted Living and Memory Care, located on the Ascension St. John Broken Arrow (OK) campus. Legend will assume all ownership and operation of the residence, with 73 assisted living and 32 memory care apartments. Legend is a Wichita-based, privately owned senior living provider with nearly 50 residences in six states, including independent living, assisted living, and memory care. It was integrated into the St. John Broken Arrow campus in collaboration with Ascension St. John Hospital. The Prairie House Assisted Living and Memory Care consists of a two-story assisted living component totaling 69,029 square feet and an attached one-story memory care component total 21,288 square feet.

SENIOR HOUSING TRANSACTION COMPARABLE 5

Facility Name	**The Preston of the Park Cities**
Address	5917 Sherry Ln Dallas, Texas
Folio Parcel ID	005625000309A0000
Property Type	Assisted Living Residence with Memory Care

Transaction Data

Transaction Price	**$52,000,000**	**Transaction Status**	**Closed**
Price Per Bed	**$390,977**	**Transaction Date**	**March 2023**
Rights Conveyed	Fee Simple	**Recording Number**	202300053334
Conditions of Sale	Arms-Length	**Financing**	Typical
Grantor	Sgd-bv Park Cities LP		
Grantee	SHI-IV Preston Owner LLC		
Verification Source	Confidential		

Site & Improvements

Year Built	2018	**Building Size (GBA)**	150,188 SF
Number of Beds	133	**Number of Stories**	8
Building Condition	Above Average	**Land Acres**	0.868 Acres
Building Quality	Above Average	**Land Square Feet**	37,825 SF
Flood Zone	Zone X		

Financial Data

Occupancy	71.0%

Remarks

On March 14th, 2023, the 120,000 square foot/129-unit assisted living facility, The Preston of the Park Cities in Dallas, Texas sold for $52,000,000. Located at 5905 Sherry Lane, the class B facility, delivered in 2018, sits on .87 acres. The Preston of the Park Cities offers both assisted living and memory care and has studio, one-bedroom, and two-bedroom units. The facility also boasts a spa, salon, fitness center, and gourmet dining. At the time of the sale, the property had a negative NOI and was still in the lease-up phase.

SENIOR HOUSING TRANSACTION COMPARABLE 6

Facility Name	**Dancing River**
Address	3735 Ira E Woods Ave Grapevine, Texas
Folio Parcel ID	42026081
Property Type	Assisted Living Residence with Memory Care

Transaction Data

Transaction Price	**$25,000,000**	**Transaction Status**	**Closed**
Price Per Bed	**$297,619**	**Transaction Date**	**December 2022**
Rights Conveyed	Fee Simple	**Recording Number**	D222287829
Conditions of Sale	Arms-Length	**Financing**	Typical
Grantor	Artemis Real Estate Partners		
Grantee	Inspired Healthcare Capital		
Verification Source	Confidential		

Site & Improvements

Year Built	2010	**Building Size (GBA)**	71,989 SF
Number of Beds	84	**Number of Stories**	1
Building Condition	Average	**Land Acres**	8.900 Acres
Building Quality	Above Average	**Land Square Feet**	387,684 SF
Flood Zone	Zone X		

Financial Data

Occupancy	93.0%

Remarks

In December of 2022, Dancing River, an 84-unit assisted living and memory care community, sold for $25,000,000 or $297,619 a unit. Built in 2010, Dancing River is located in Grapevine, Texas, approximately 22 miles Northwest of Dallas. The community went from being 93%+ occupied to 70% during the pandemic but throughout the transaction, census crept back up to pre-pandemic levels paving the way for a smooth transition with the incoming operator. ESI received a number of competitive offers during the marketing process and ultimately chose a private equity company from the West Coast as the buyer. Evans Senior Investments (ESI) represented the seller, an institutional private equity group, in the transaction. Hank Fuller, Senior Associate at ESI, commented "With the community recently recovering occupancy back to 93%+ in just the latest month prior to marketing, the Evans Senior Investments team was able to showcase the potential upside for a new ownership group by forecasting a 5.0% rental rate increase.

PRICE PER BED ANALYSIS

For this property type, the most common method of comparison is price per bed. Although this method does not directly account for the income and operating characteristics of a property, it does provide a general means of traditional comparison.

Property Rights Sold Or Conveyed

All of the sales utilized in this analysis involved the transfer of the Fee Simple interest. Since we are appraising the Fee Simple interest of the subject, no adjustments are required.

Financing

To the best of our knowledge, all of the sales utilized in this analysis were accomplished with cash equivalent financing. Therefore, no adjustment for financial terms is required for the comparables.

Conditions of Sale

Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. In many situations, the conditions of sale may significantly affect transaction prices. All sales used in this analysis are considered to be "arms-length" market transactions between both knowledgeable buyers and sellers on the open market. Therefore, no adjustments for conditions of sale are required for the comparables.

Market Conditions

The passage of time does not necessarily warrant an adjustment. However, fluctuations in market conditions (e.g., supply, demand, macro-economic conditions) may result in appreciation (increases in property values), or depreciation (declines in property values) over time. The comparable sales analyzed are representative of the most recent, comparable, arm's-length sales that we could obtain. None of the sales analyzed are resales, nor are they similar enough to one another to extract a time adjustment.

Many participants in the market have become aware of the shifts within the economic landscape, which is driven by market inflation and escalating interest rates. While the recognition of these factors has shifted the market dramatically, the improved sales used are very recent besides sale 6. Therefore, an adjustment was made to this sale.

Location

An adjustment for location is required when the locational characteristics of a comparable property are different from those of the subject property. Negative adjustments are made to those comparables considered superior in location versus the subject. Conversely, positive adjustments are made to those comparables considered inferior.

In this case, location adjustments are based on local housing prices. Thus, we have made the following adjustments.

Location Adjustment						
	Benton House of	The Summit at Lakewood	Heartis San Antonio	Prairie House	The Preston of the Park	Dancing River
Comp. No.	1	2	3	4	5	6
Median Home Price (Comparable)	$450,000	$570,000	$510,000	$260,000	$2,000,000	$550,000
Subject's Median Home Price	$350,000	$350,000	$350,000	$350,000	$350,000	$350,000
Difference in Home Price	-22.22%	-38.60%	-31.37%	34.62%	-82.50%	-36.36%
Adjustment	-5.0%	-5.0%	-5.0%	5.0%	-10.0%	-5.0%

Property Size (Number of Units/Beds)

The number of beds in a facility can vary greatly, and an adjustment to account for a size variance may be required. Size variances often impact purchase price from both an operational perspective and a market perspective.

The comparables vary somewhat in size compared to the subject. However, the sales are considered to operate with similar economies to the subject and, as such, no adjustment for size is warranted.

Age (Year Built)

Since many senior living facilities are renovated or have built additions over their lifetime, we have taken this into account in determining the appropriate comparable adjustments.

An upward adjustment was made to Improved Sale 2, 3, 4, & 6.

Quality

The overall physical quality of a seniors housing community affects the price a buyer is willing to pay.

We have classified the comparables in three general categories of physical quality: below average, average, and above average. As these are very broad classifications, there may be small variances within the same quality rating which is adjusted where applicable. Facilities with above-average quality of construction, high end finishes, more extensive amenities offerings, above average operational utility, and superior physical appeal are considered above average while lower end facilities with below average construction quality, minimal amenities and finishes, very basic FF&E, and fair or below average overall physical appeal are considered below average for the purpose of our quality adjustment. No adjustments are required.

Occupancy

This adjustment considers the actual occupancy at the time of sale versus that of the subject. An investor will likely pay less for an asset with a low occupancy level to offset the time and expense associated with increasing the occupancy.

While the comparable facilities were operating at varying census levels at the time of sale, each was considered to be stabilized besides sale 5, therefore, an adjustment was made to this sale.

On the following page is a sales comparison grid displaying the subject property, the comparables, and the adjustments that were applied.

IMPROVED SALES ANALYSIS GRID							
Improved Sales	**SUBJECT**	**Comp No. 1**	**Comp No. 2**	**Comp No. 3**	**Comp No. 4**	**Comp No. 5**	**Comp No. 6**
Name	Sage Lake Senior Living	Benton House of Narcoossee	The Summit at Lakewood Ranch	Heartis San Antonio	Prairie House Assisted Living and Memory Care	The Preston of the Park Cities	Dancing River
City	Covington	Saint Cloud	Bradenton	San Antonio	Broken Arrow	Dallas	Grapevine
State	Louisiana	Florida	Florida	Texas	Oklahoma	Texas	Texas
Transaction Status	–	Closed	Closed	Closed	Closed	Closed	Closed
Transaction Date	–	Sep-24	Jan-24	Jul-23	Jun-23	Mar-23	Dec-22
Price	–	$17,900,000	$27,500,000	$36,000,000	$25,750,000	$52,000,000	$25,000,000
Price/Bed	–	$248,611	$235,043	$330,275	$245,238	$390,977	$297,619
Transaction Adjustments							
Property Rights	–	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Financing	–	Typical	Typical	Typical	Conventional	Typical	Typical
% Adjustment		0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Conditions of Sale	–	Arms-Length	Arms-Length	Arms-Length	Arms-Length	Arms-Length	Arms-Length
% Adjustment		0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Market Conditions							
% Adjustment	–	0%	0%	0%	0%	0%	-5%
$ Adjustment		$0	$0	$0	$0	$0	($14,881)
Adjusted Prices		$248,611	$235,043	$330,275	$245,238	$390,977	$282,738
Property Adjustments							
Location							
% Adjustment	–	-5%	-5%	-5%	5%	-10%	-5%
$ Adjustment		($12,431)	($11,752)	($16,514)	$12,262	($39,098)	($14,137)
Number of Beds	82	72	117	109	105	133	84
% Adjustment		0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Year Built	2020	2022	2016	2015	2016	2018	2010
% Adjustment		0%	5%	5%	5%	0%	5%
$ Adjustment		$0	$11,752	$16,514	$12,262	$0	$14,137
Quality	Above Average	Above Average	Above Average	Above Average	Above Average	Above Average	Above Average
% Adjustment		0%	0%	0%	0%	0%	0%
$ Adjustment		$0	$0	$0	$0	$0	$0
Occupancy	95.6%	93.0%	89.0%	88.0%	Stabilized	71.0%	93.0%
% Adjustment		0%	0%	0%	0%	10%	0%
$ Adjustment		$0	$0	$0	$0	$39,098	$0
Adjusted Price Per Bed		**$236,180**	**$235,043**	**$330,275**	**$269,762**	**$390,977**	**$282,738**
Net Adjustments	–	-5%	0%	0%	10%	0%	-5%
Gross Adjustments	–	**5%**	**10%**	**10%**	**10%**	**20%**	**15%**

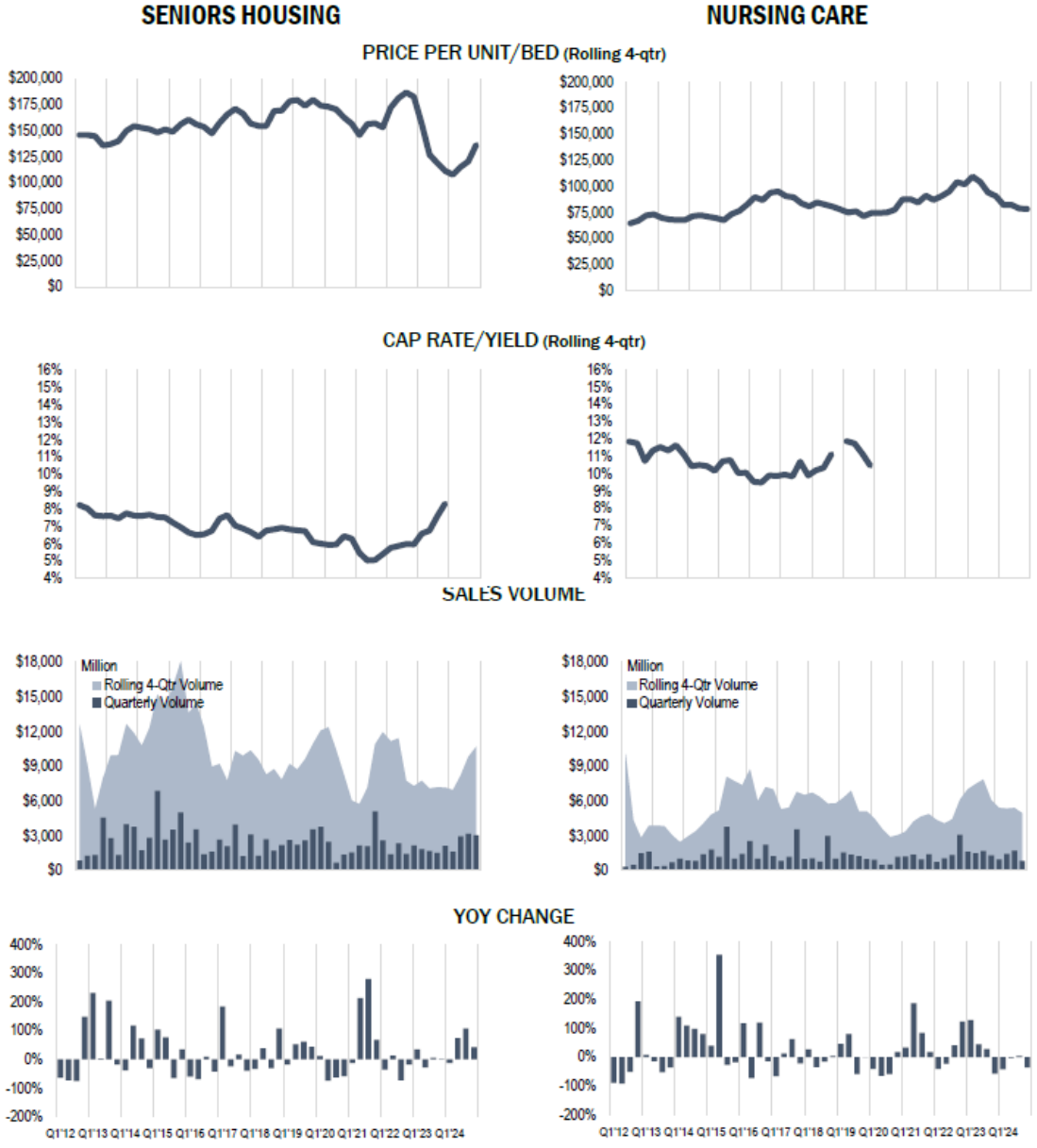
National Benchmarks

Seniors Housing & Care Transactions Price Per Unit Distribution

US QUARTERLY REPORT - Q4 2024

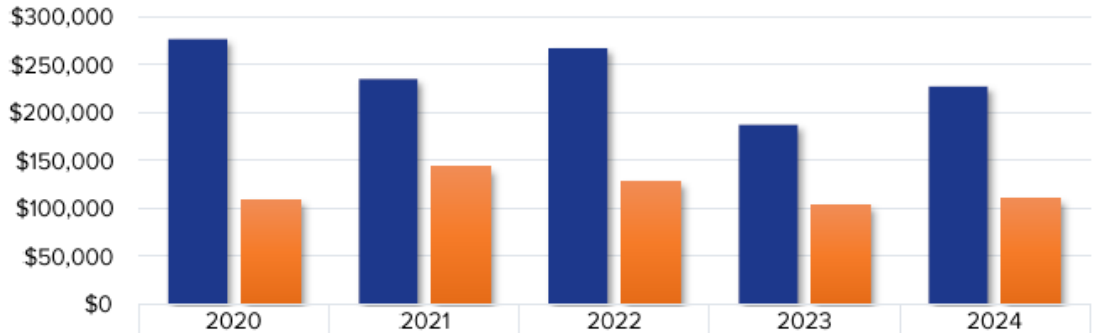
Investment Trends

Over the past four quarters, Seniors housing transaction volume reached $10.7 billion, up 49% year over year. Activity for nursing care reached $4.9 billion, falling 19% from the prior year. Transaction volume for Seniors housing & care totaled $15.6 billion over the same time frame.



Source: NIC MAP Data, power by NIC MAP Vision; Real Capital Analytics

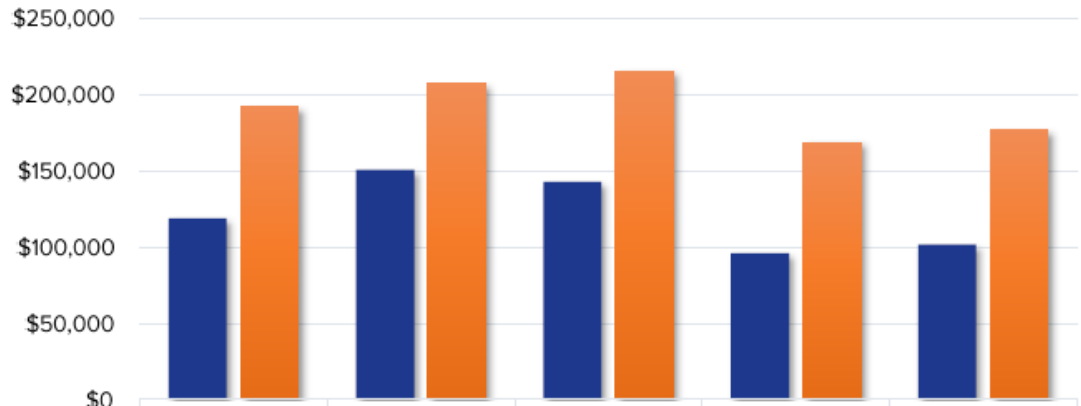
Average Price per Unit: Stabilized vs. Non-Stabilized AL Communities (2020 - 2024)



	2020	2021	2022	2023	2024
Stablized	$276,800	$235,000	$266,700	$187,400	$227,200
Non-Stabilized	$108,100	$143,000	$128,000	$102,700	$110,300

Source: The Senior Care Acquisition Report, 2025

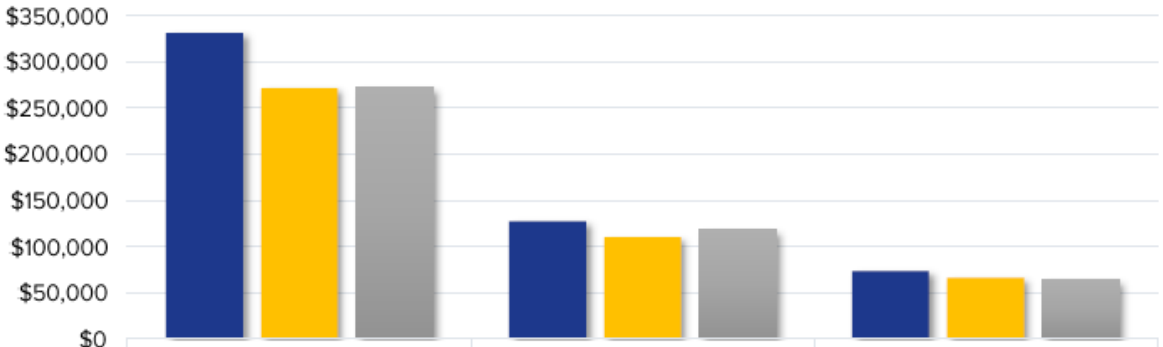
Average Price per Unit: AL vs. AL/MC (2020 - 2024)



	2020	2021	2022	2023	2024
Assisted Living	$118,800	$150,700	$142,800	$95,700	$101,600
AL/MC	$191,800	$207,100	$215,600	$168,700	$177,100

Source: The Senior Care Acquisition Report, 2025

Average Price per Unit: "A" vs. "B" vs. "C" Assisted Living Properties Sold (2022 - 2024)



	"A" Properties	"B" Properties	"C" Properties
2022	$331,000	$127,000	$73,100
2023	$271,200	$109,800	$65,800
2024	$271,900	$117,500	$64,800

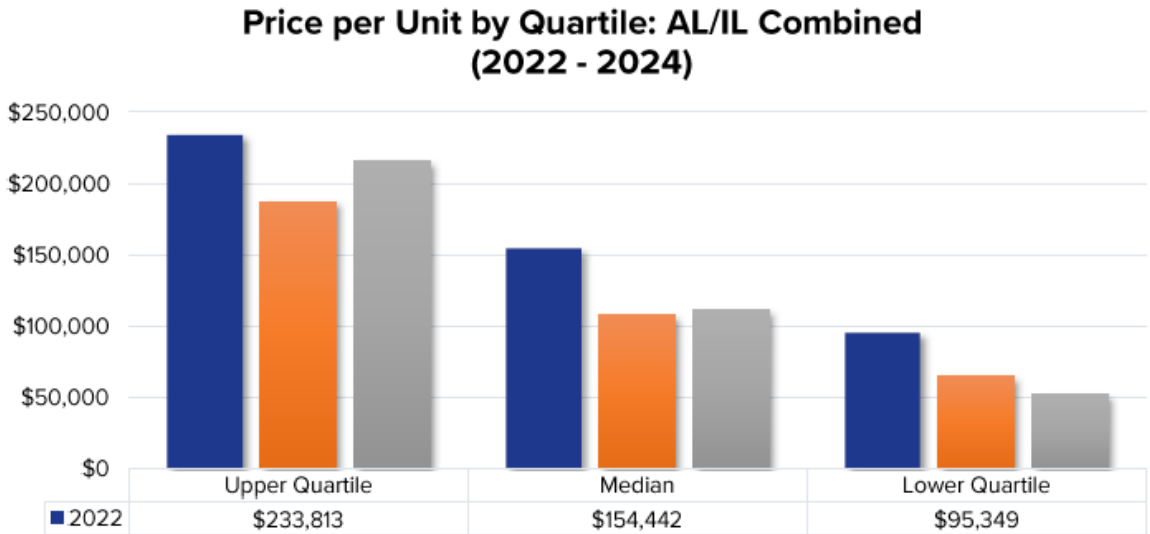
Source: The Senior Care Acquisition Report, 2025

Operating/Valuation Statistics: "A" vs "B" vs "C" AL Properties Sold in 2024

	"A" Properties	"B" Properties	"C" Properties
Average NOI per Unit	$17,400	$7,900	$6,200
Average Operating Margin	23.1%	12.3%	13.7%
Average Occupancy	83.7%	77.1%	71.8%
Average Cap Rate	7.6%	8.9%	10.7%

Source: The Senior Care Acquisition Report, 2025

Seniors Housing Price per Bed Quartile



	Upper Quartile	Median	Lower Quartile
2022	$233,813	$154,442	$95,349
2023	$187,017	$108,446	$65,000
2024	$216,006	$111,176	$51,881

Source: The Senior Care Acquisition Report, 2025

Price Per Bed Conclusion

The adjusted pricing of the comparable properties ranges from $235,043 to $390,977 per bed with an average adjusted price of $290,829 per bed. We reconciled to $300,000 per bed, or $24,600,000, via the sales comparison approach. Our calculations are shown on the following chart.

PRICE PER BED CONCLUSION	
Indicated Value Per Bed:	$300,000
Subject Size (Beds):	X 82
Indicated Value:	$24,600,000
Rounded:	**$24,600,000**

Income Capitalization Approach

The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time.

The steps involved in capitalizing the subject's net operating income are as follows:

- Develop the subject's Potential Gross Income (PGI) through analysis of the subject's actual historic or projected income and an analysis of competitive current market income rates;
- Estimate and deduct vacancy and collection losses to develop the Effective Gross Income (EGI);
- Develop and subtract operating expenses to derive the Net Operating Income (NOI);
- Develop the appropriate capitalization rate (Ro);
- Divide the net operating income by the capitalization rate for an estimate of value. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

In this approach, we have provided estimates of value for the subject in "As Is" condition.

REVENUE ESTIMATES

For the revenue and expense estimates, our forecasted figures are for the subject "As If Stabilized" and, thus, are projected in today's dollars.

For our analysis, we were provided with Calendar Year operating statements for the reporting periods of 2023, 2024, a Trailing 12 month from May 2024 to April 2025, and 2025 Budget. Reserves are estimated at $300 per bed and the management fee is estimated at 5.0%. This information is presented on the following page.

REPORTED OPERATING DATA

OPERATING YEAR										
REPORTING PERIOD	2023		2024		T12 (MAY24 - APR25)		2025 Budget		NEWMARK STABILIZED ESTIMATES	
Assisted Living	66	80%	66	80%	66	80%	66	80%	66	80%
Memory Care Beds	16	20%	16	20%	16	20%	16	20%	16	20%
Total Beds	82	100%	82	100%	82	100%	82	100%	82	100%
Total Resident Days	28,691		28,030		28,805		28,972		28,609	
AVERAGE OCCUPANCY	95.9%		93.4%		96.2%		96.8%		95.6%	
	TOTAL	**$/PRD[1]**	**TOTAL**	**$/PRD[1]**	**TOTAL**	**$/PRD[1]**	**TOTAL**	**$/PRD[1]**	**TOTAL**	**$/PRD[1]**
REVENUES										
Assisted Living	$ 2,933,290	$ 127.28	$ 2,867,402	$ 128.79	$ 3,087,747	$ 133.75	$ 3,343,691	$ 143.39	$ 3,353,880	$ 146.55
Memory Care Rental	$ 1,003,363	$ 177.73	$ 1,155,801	$ 200.50	$ 1,214,025	$ 212.30	$ 1,259,291	$ 222.76	$ 1,317,120	$ 230.14
Additional Care Fees	$ 723,250	$ 25.21	$ 688,767	$ 24.57	$ 686,719	$ 23.84	$ 755,864	$ 26.09	$ 662,112	$ 23.14
Community Fees	$ 76,145	$ 2.65	$ 99,200	$ 3.54	$ 112,150	$ 3.89	$ 113,800	$ 3.93	$ 114,122	$ 3.99
Second Resident Revenues	$ 54,550	$ 1.90	$ 69,463	$ 2.48	$ 75,724	$ 2.63	$ 79,487	$ 2.74	$ 75,240	$ 2.63
Other Revenues	$ 950	$ 0.03	$ 8,595	$ 0.31	$ 19,418	$ 0.67	$ 21,762	$ 0.75	$ 20,026	$ 0.70
TOTAL NET REVENUES	$ 4,791,547	$ 167.00	$ 4,889,227	$ 174.43	$ 5,195,783	$ 180.38	$ 5,573,896	$ 192.39	$ 5,542,500	$ 193.73
Collection Loss	$ (38,878)	$ (1.36)	$ (19,141)	$ (0.68)	$ (7,492)	$ (0.26)	$ 11,649	$ 0.40	$ (41,569)	$ (1.45)
EFFECTIVE GROSS REVENUE	$ 4,752,669	$ 165.65	$ 4,870,086	$ 173.75	$ 5,188,291	$ 180.12	$ 5,585,545	$ 192.79	$ 5,500,932	$ 192.28
OPERATING EXPENSES										
Property Taxes	$ 211,070	$ 7.36	$ 204,449	$ 7.29	$ 203,119	$ 7.05	$ 213,234	$ 7.36	$ 210,000	$ 7.34
Insurance	$ 178,491	$ 6.22	$ 181,466	$ 6.47	$ 156,221	$ 5.42	$ 214,722	$ 7.41	$ 180,000	$ 6.29
Utilities	$ 134,548	$ 4.69	$ 157,170	$ 5.61	$ 165,380	$ 5.74	$ 165,380	$ 5.71	$ 163,070	$ 5.70
Building & Grounds	$ 89,063	$ 3.10	$ 195,644	$ 6.98	$ 191,935	$ 6.66	$ 197,394	$ 6.81	$ 201,691	$ 7.05
Administrative	$ 350,629	$ 12.22	$ 511,430	$ 18.25	$ 554,792	$ 19.26	$ 579,126	$ 19.99	$ 543,565	$ 19.00
Payroll Taxes & Benefits	$ 334,443	$ 11.66	$ 256,248	$ 9.14	$ 260,469	$ 9.04	$ 278,470	$ 9.61	$ 252,629	$ 8.83
Dietary	$ 501,995	$ 17.50	$ 504,368	$ 17.99	$ 461,192	$ 16.01	$ 439,491	$ 15.17	$ 486,348	$ 17.00
Housekeeping/Laundry	$ 77,390	$ 2.70	$ 99,798	$ 3.56	$ 102,173	$ 3.55	$ 120,605	$ 4.16	$ 107,283	$ 3.75
Resident Care / Nursing	$ 1,068,633	$ 37.25	$ 1,072,323	$ 38.26	$ 1,114,688	$ 38.70	$ 1,179,070	$ 40.70	$ 1,100,005	$ 38.45
Activities	$ 109,679	$ 3.82	$ 90,733	$ 3.24	$ 98,777	$ 3.43	$ 113,834	$ 3.93	$ 114,435	$ 4.00
SUBTOTAL OPERATING EXPENSES	$ 3,055,941	$ 106.51	$ 3,273,629	$ 116.79	$ 3,308,747	$ 114.87	$ 3,501,325	$ 120.85	$ 3,359,025	$ 117.41
OPERATING EXPENSE RATIO	64.3%		67.2%		63.8%		62.7%		61.1%	
EBITDARM[2]	$ 1,696,728	$ 59.14	$ 1,596,458	$ 56.96	$ 1,879,545	$ 65.25	$ 2,084,219	$ 71.94	$ 2,141,907	$ 74.87
Replacement Reserves[3]	$ 24,600	$ 0.86	$ 24,600	$ 0.88	$ 24,600	$ 0.85	$ 24,600	$ 0.85	$ 24,600	$ 0.86
Management Fees[4]	$ 237,633	$ 8.28	$ 243,504	$ 8.69	$ 259,415	$ 9.01	$ 279,277	$ 9.64	$ 275,047	$ 9.61
TOTAL EXPENSES	$ 3,318,174	$ 115.65	$ 3,541,733	$ 126.36	$ 3,592,762	$ 124.73	$ 3,805,203	$ 131.34	$ 3,658,672	$ 127.89
NET OPERATING INCOME	$ 1,434,495	$ 50.00	$ 1,328,353	$ 47.39	$ 1,595,530	$ 55.39	$ 1,780,342	$ 61.45	$ 1,842,260	$ 64.40
OPERATING EXPENSE RATIO	69.82%		72.72%		69.25%		68.13%		66.51%	

[1] *Per Resident Day;* [2]*Earnings Before Interest, Taxes, Depreciation, Amortization, Rent and Management Fees.*

[3] *Calculated at $300 per bed*

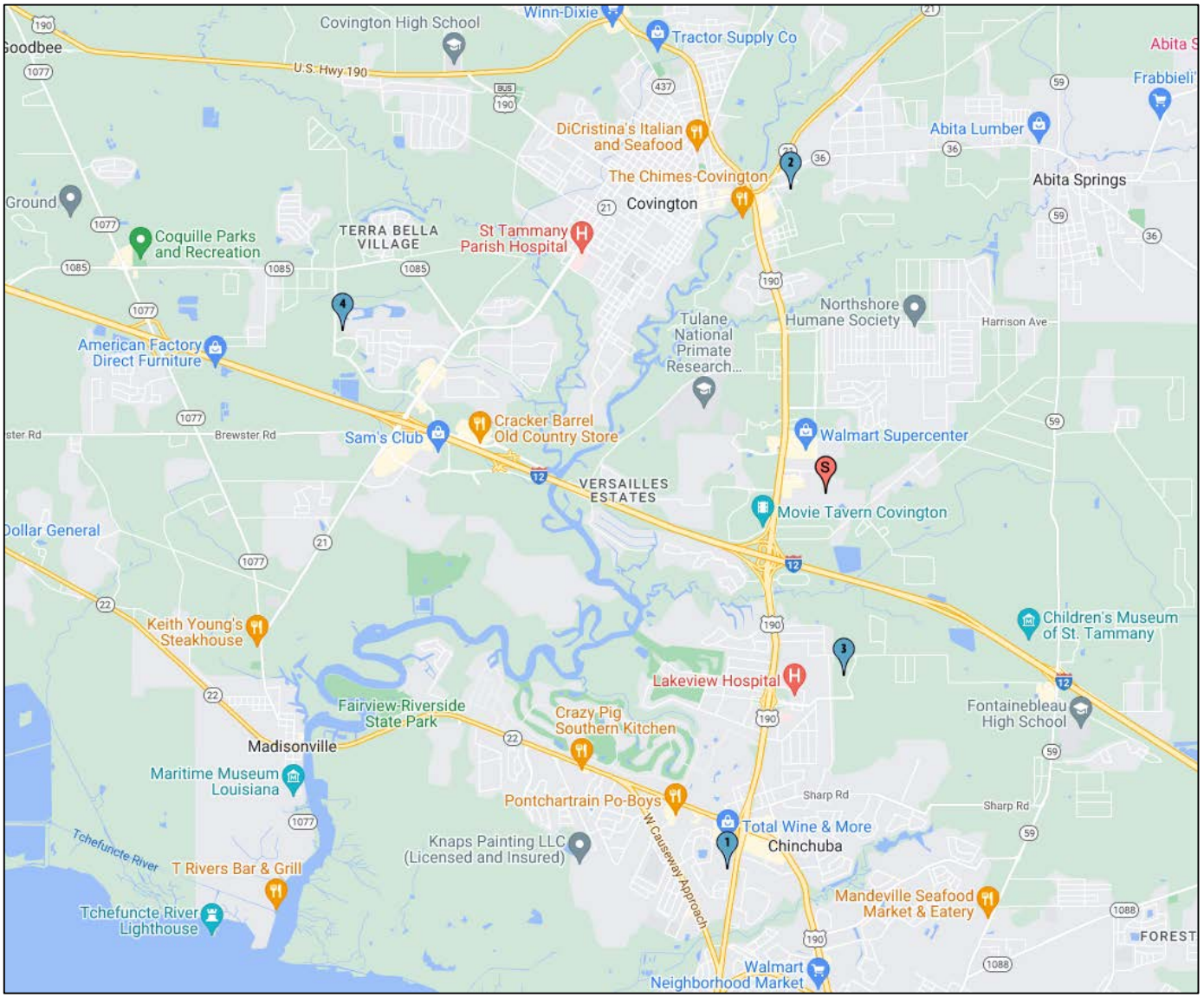
[4] *Normalized at 5.0% of Effective Gross Revenues (after collection loss)*

Compiled by Newmark

Rental Comparables

We have used local comparable properties as market data in deriving our revenue estimates for the subject. On the following page is a map showing the location of the facilities we compared with the subject, followed by data sheets that provide a detailed overview of each of the comparables. Each of the individual average unit rents currently achieved at the subject will be compared with the projected unit rent in the subsequent analysis. During our survey of the subject's local market, we spoke with representatives at four facilities.

Rental Comparables Map



Rental Comparable Photographs

Rental Comparable 1

Rental Comparable 2

Rental Comparable 3

Rental Comparable 4

Assisted Living Summary

No.	Property Name Address	No. AL Beds	Year Built Occupancy	Unit Type	Min. Rent	Max. Rent
1	Brookdale Mandeville 1414 N Causeway Blvd Mandeville, Louisiana	52	1999 95%	Studio One-bedroom Second Person Fee Community Fees	$3,235 $4,100 $1,200 $2,500	$3,235 $4,800 $1,200 $2,500
2	The Trace 19432 Crawford Rd Covington, Louisiana	73	2009 100%	Studio One-bedroom Second Person Fee Community Fees Personal Care	$3,005 $4,005 $950 $2,750 $305	$3,650 $4,805 $950 $2,750 $2,805
3	St. Anthony's Gardens 601 Holy Trinity Dr Covington, Louisiana	57	2016 94%	Studio One-bedroom Two-bedroom Community Fees Personal Care	$4,194 $4,824 $6,294 $3,000 $593	$4,614 $4,824 $6,294 $3,000 $1,312
4	Avanti Senior Living at Covington 2234 Watercross Pkwy Covington, Louisiana	50	2017 95%	Studio One-bedroom Two-bedroom Second Person Fee Community Fees Personal Care	$5,500 $5,940 $6,930 $1,000 $3,500 $300	$5,500 $5,940 $6,930 $1,000 $3,500 $1,200
Subject	Sage Lake Senior Living 1444 Andrew Dr Covington, Louisiana	66	2020 97%	Studio One-bedroom Two-bedroom Second Person Fee Community Fees Personal Care	$4,050 $4,650 $5,395 $1,000 $2,800 $600	$4,195 $4,995 $5,595 $1,000 $2,800 $4,500

Memory Care Summary

No.	Property Name Address	No. MC Beds	Year Built Occupancy	Unit Type	Min. Rent	Max. Rent
1	Brookdale Mandeville 1414 N Causeway Blvd Mandeville, Louisiana	31	1999 85%	Studio Community Fees	$5,835 $2,500	$5,835 $2,500
2	The Trace 19432 Crawford Rd Covington, Louisiana	24	2009 95%	Studio Community Fees	$6,025 $2,750	$6,025 $2,750
3	St. Anthony's Gardens 601 Holy Trinity Dr Covington, Louisiana	36	2016 97%	Studio Community Fees	$5,801 $3,000	$6,485 $3,000
4	Avanti Senior Living at Covington 2234 Watercross Pkwy Covington, Louisiana	40	2017 95%	Studio Community Fees	$7,040 $3,500	$7,040 $3,500
Subject	Sage Lake Senior Living 1444 Andrew Dr Covington, Louisiana	16	2020 100%	Studio Community Fees	$7,295 $2,800	$7,295 $2,800

Revenue Rates

The following charts summarizes the subject's rent roll inclusive quoted and actual (contract) rates as well as second-resident fees and personal care fees. Additionally, rates are shown on a monthly basis unless otherwise stated. The following comparable rate analysis is based on private pay rates as the subject is a 100% private pay facility.

RENT ROLL SUMMARY (AS OF APRIL 2025)
Sage Lake Senior Living

ASSISTED LIVING

	Monthly Rates						Occupancy		
	Quoted			In-Place			Occupied		
Unit Type	Low	**Avg**	High	Low	**Avg**	High	Beds	Capacity	Occupancy
Studio	$4,050	**$4,173**	$4,345	$3,066	**$3,931**	$4,595	32	32	100.0%
One Bedroom	$4,650	**$4,790**	$4,995	$4,198	**$4,563**	$4,995	22	22	100.0%
Two Bedroom	$5,395	**$5,433**	$5,470	$3,300	**$4,945**	$5,406	10	12	83.3%
Second Persons	$1,000	-	$1,000	$650	**$867**	$1,000	6	66	9.1%
Care Fees	$600	-	$4,500	$750	**$1,451**	$2,000	36	66	54.5%

MEMORY CARE

	Monthly Rates						Occupancy		
	Quoted			In-Place			Occupied		
Unit Type	Low	**Avg**	High	Low	**Avg**	High	Beds	Capacity	Occupancy
Studio	$7,295	**$7,295**	$7,295	$6,160	**$6,814**	$7,295	16	16	100.0%

In comparing the market rents to the subject's rates, we have considered several the following characteristics to determine market rent for the subject's units: unit sizes, facility age/effective age, facility quality, number of meals included in the base rate, and personal care (assisted living and memory care only). As denoted within the following rent summary charts, based on unit type, we have included a comprehensive, subjective qualitative adjustment, or ranking compared to the subject.

Assisted Living Rates

The following charts include the asking rates for the subject's assisted living component as well as the comparables. Primary weight has been placed on the in-place rents. Our conclusions for each unit type are indicated below.

Studio Units – Assisted Living

STUDIO UNITS - ASSISTED LIVING					
	Rental Range			Qualitative	Personal Care
Property Name	Low	-	High	Adjustment	Structure
Brookdale Mandeville	$3,235	-	$3,235	Inferior	Ala Carte
The Trace	$3,005	-	$3,650	Inferior	Levels of Care
St. Anthony's Gardens	$4,194	-	$4,614	Similar	Levels of Care
Avanti Senior Living at Covington	$5,500	-	$5,500	Similar	Levels of Care
COMPETITION RANGE	**$3,005**	-	**$5,500**	-	-
SUBJECT'S IN PLACE RATES	$3,066	-	$4,595	-	N/A
SUBJECT'S QUOTED RATES	$4,050	-	$4,195	-	Levels of Care

The comparables indicate a range of asking rates from $3,005 to $5,500 per unit per month. As shown previously on the rent roll analysis, the subject's average actual collection is $3,931 per month. We have reconciled to an assisted living studio rate of $4,050 per month.

One-Bedroom Units – Assisted Living

ONE BEDROOM UNITS - ASSISTED LIVING					
	Rental Range			Qualitative	Personal Care
Property Name	Low	-	High	Adjustment	Structure
Brookdale Mandeville	$4,100	-	$4,800	Inferior	Ala Carte
The Trace	$4,005	-	$4,805	Inferior	Levels of Care
St. Anthony's Gardens	$4,824	-	$4,824	Similar	Levels of Care
Avanti Senior Living at Covington	$5,940	-	$5,940	Similar	Levels of Care
COMPETITION RANGE	**$4,005**	-	**$5,940**	-	-
SUBJECT'S IN PLACE RATES	$4,198	-	$4,995	-	N/A
SUBJECT'S QUOTED RATES	$4,650	-	$4,995	-	Levels of Care

The comparable range of asking rates for one-bedroom units is from $4,005 to $5,940 per unit per month. As shown on the previous rent roll analysis, the subject's average collection is $4,563 per month. We reconcile to an assisted living one-bedroom rate for the subject of $4,700 per month.

Two-Bedroom Units – Assisted Living

TWO BEDROOM UNITS - ASSISTED LIVING					
	Rental Range			Qualitative	Personal Care
Property Name	Low	-	High	Adjustment	Structure
St. Anthony's Gardens	$6,294	-	$6,294	Similar	Levels of Care
Avanti Senior Living at Covington	$6,930	-	$6,930	Similar	Levels of Care
COMPETITION RANGE	**$6,294**	-	**$6,930**	-	-
SUBJECT'S IN PLACE RATES	$3,300	-	$5,406	-	N/A
SUBJECT'S QUOTED RATES	$5,395	-	$5,595	-	Levels of Care

The comparable range of asking rates for two-bedroom units is from $6,294 to $6,930 per unit per month. As shown on the previous rent roll analysis, the subject's average collection is $4,945 per month. We reconcile to an assisted living two-bedroom rate for the subject of $5,100 per month.

Memory Care Rates

The following charts include the asking rates for the subject's memory care component as well as the comparables. Primary weight has been placed on the in-place rents. Our conclusions for each unit type are indicated below:

Studio Units – Memory Care

STUDIO UNITS - MEMORY CARE					
	Rental Range			Qualitative	Personal Care
Property Name	Low	-	High	Adjustment	Structure
Brookdale Mandeville	$5,835	-	$5,835	Inferior	All-Inclusive
The Trace	$6,025	-	$6,025	Inferior	All-Inclusive
St. Anthony's Gardens	$5,801	-	$6,485	Similar	All-Inclusive
Avanti Senior Living at Covington	$7,040	-	$7,040	Similar	All-Inclusive
COMPETITION RANGE	**$5,801**	**-**	**$7,040**	**-**	**-**
SUBJECT'S IN PLACE RATES	$6,160	-	$7,295	-	N/A
SUBJECT'S QUOTED RATES	$7,295	-	$7,295	-	All-Inclusive

The comparables indicate a range of asking rates from $5,801 to $7,040 per unit per month. As shown previously on the rent roll analysis, the subject's average actual collection is $6,814 per month. We conclude to $7,000 per month which is within the range of the comparables and appears reasonable.

Concessions

Rent concessions, or incentives, provide a good indication of the condition, or strength of current local market. Rent concessions are generally found in markets exhibiting high vacancy and diminished absorption levels, as well as being used by new projects as a part of their overall marketing program. The use of concessions typically stimulates occupancy in response to unforeseen vacancies.

Similar to the subject, the comparables in our analysis did not report any direct concessions. Management reported that no concessions are currently being offered at the subject nor are any concessions planned to be offered.

Non-Refundable Community Fees

Non-refundable move-in fees are generally referred to as community fees and are common charges in the industry. In some instances, facilities will reduce or waive the community fee as part of an enticement to secure new residents. The reported and budgeted collections and our estimates are shown as follows:

YEAR	COMMUNITY FEES
2023	$76,145
2024	$99,200
T12 (MAY24 - APR25)	$112,150
2025 Budget	$113,800
NEWMARK STABILIZED ESTIMATES	$114,122

The recent *The State of Seniors Housing 2023* report notes median, annual resident turnover rates as follows:

- 43.9% for independent living
- 46.8% for assisted living facilities
- 41.6% for facilities with independent living, assisted living, and memory care
- 52.3% for facilities with assisted living and memory care
- 13.0% for all CCRCs (excluding skilled nursing beds)

In the subject's case, we have estimated an average turnover rate of 50.0% per year for its assisted living beds and 60.0% per year for its memory care beds. This equates to 33.00 per year in assisted living and 9.60 per year in memory care.

Regarding market pricing for community fees, the comparables report the following marketed community fees:

COMMUNITY FEES				
Property Name	**AL MIN**	**AL MAX**	**MC MIN**	**MC MAX**
Brookdale Mandeville	$2,500	$2,500	$2,500	$2,500
The Trace	$2,750	$2,750	$2,750	$2,750
St. Anthony's Gardens	$3,000	$3,000	$3,000	$3,000
Avanti Senior Living at Covington	$3,500	$3,500	$3,500	$3,500
AVERAGE	**$2,938**	**$2,938**	**$2,938**	**$2,938**
SUBJECT	$2,800	$2,800	$2,800	$2,800

Since full or partial waiver of community fees is typically the first and most common form of concession to be offered, we have considered the current level of concessions in the market within our community fee projection. Considering our projected average community fee collections, of $2,800 for assisted living and $2,800 for memory care, in conjunction with the turnover estimates, this results in total community fee revenue of $114,122.

Additional Personal Care

Many assisted living and memory care residences charge for additional care services above the room and board rate.

For assisted living, the subject's Level of Care charges are the following:

- Level 1 - $600 per month
- Level 2: - $1,100 per month
- Level 3: - $1,700 per month
- Level 4: - $2,300 per month
- Level 5: - $2,800 per month
- Level 6: - $3,400 per month
- Level 7: - $3,900 per month
- Level 8: - $4,500 per month

This is typical in the market with the comparables having the following additional care fees:

ADDITIONAL CARE FEES		
Property Name	**AL MIN**	**AL MAX**
The Trace	$305	$2,805
St. Anthony's Gardens	$593	$1,312
Avanti Senior Living at Covington	$300	$1,200
AVERAGE	**$399**	**$1,772**
SUBJECT	$600	$4,500

The reported and budgeted collections and our estimates are shown as follows:

YEAR	ADDITIONAL CARE FEES
2023	$723,250
2024	$688,767
T12 (MAY24 - APR25)	$686,719
2025 Budget	$755,864
Current - In Place Per Rent Roll	$627,000
NEWMARK STABILIZED ESTIMATES	$662,112

PERSONAL CARE CHARGES										
	Current Operations		Newmark Projections							
Level	Percent Receiving Care	Current Average/Mo.	Number of Beds/Units	Newmark Projection Rate	Subtotal	Newmark Charge/Mo.	Monthly Total	Annualized	Total (Net of Vacancy)
Assisted Living	56.3%	$1,451	66	55.0%	36.30	$1,600	$58,080	$696,960	$662,112
SUBJECT									**$662,112**

Second Person Fees

This revenue is from the monthly charge for a second occupant in the same unit. This generally consists of either a spouse or sibling. The comparables report the following second person fees:

SECOND PERSON FEES		
Property Name	**AL MIN**	**AL MAX**
Brookdale Mandeville	$1,200	$1,200
The Trace	$950	$950
Avanti Senior Living at Covington	$1,000	$1,000
AVERAGE	**$1,050**	**$1,050**
SUBJECT	$1,000	$1,000

The reported and budgeted collections and our estimates are shown as follows:

YEAR	SECOND RESIDENT FEES
2023	$54,550
2024	$69,463
T12 (MAY24 - APR25)	$75,724
2025 Budget	$79,487
Current - In Place Per Rent Roll	$62,400
NEWMARK STABILIZED ESTIMATES	$75,240

SECOND PERSON PROJECTIONS

	Typical Facility		Current Operations		Subject Projections						
Level	Low	High	Percent 2nd Persons	Average In-Place	Number of Beds/Units	Newmark Projection	Subtotal	Newmark Forecast Rate/Mo.	Monthly Total	Annualized	Total (Net of Vacancy)
Assisted Living	5%	15%	9.1%	$867	66	10.0%	6.6	$1,000	$6,600	$79,200	$75,240
SUBJECT											**$75,240**

Other Revenues

This category includes revenue received from the subject's barber/beauty income, meal and guest fees, food catering (tray services), resident phone revenues, personal fitness charges, health supplies, respite services, etc. The reported and budgeted collections and our estimates are shown as follows:

YEAR	OTHER REVENUE
2023	$950
2024	$8,595
T12 (MAY24 - APR25)	$19,418
2025 Budget	$21,762
NEWMARK STABILIZED ESTIMATES	$20,026

As reported and budgeted, the subject's other revenues have ranged from $0.03 PRD to $0.75 PRD with an average of $0.44 PRD. Other revenues are a minor revenue source at the subject property. Our conclusion is based on the historical levels. Therefore, we have estimated these revenues at $0.70 per resident day which equates to a total projection of $20,026 attributable to 'Other' revenue.

Occupancy

When estimating stabilized occupancy for a senior living facility, it is appropriate to consider the historical trends and upcoming changes to the subject's operations and the competitive market. The following chart presents the overall occupancies of the subject and market comparables:

RENT COMPARABLE OCCUPANCIES

Property Name	AL Occ.	MC Occ.
Brookdale Mandeville	95.0%	85.0%
The Trace	100.0%	95.0%
St. Anthony's Gardens	94.0%	97.0%
Avanti Senior Living at Covington	95.0%	95.0%
AVERAGE	**96.0%**	**93.0%**
SUBJECT	97.0%	100.0%

Assisted Living

The rental comparables reported occupancy levels, for assisted living facilities, range from 94.0% to 100.0% with an average of 96%, while the subject's occupancy at 97.0% based on its capacity of 66 beds. During the reported and budgeted periods, the subject's assisted living occupancy was between 92.2% in 2024 and 96.8% in 2025 Budget. We accordingly estimate stabilized occupancy for assisted living at 95.0%.

Memory Care

The subject's reported and budgeted memory care occupancy has ranged from 96.7% in 2023 to 98.4% in 2024. The rental comparables report a current range of 85.0% to 97.0% with an average of 93% while the subject's beds were 100.0% occupied based on its operating capacity of 16 beds. Therefore, we estimate stabilized occupancy for memory care at 98.0%.

A detailed summary of the subject's occupancy as follows:

CENSUS STATISTICS
Sage Lake Senior Living

PERIOD	2023	2024	T12 (MAY24 - APR25)	2025 Budget	NEWMARK STABILIZED ESTIMATES
ASSISTED LIVING BEDS	66	66	66	66	66
MEMORY CARE BEDS	16	16	16	16	16
TOTAL BEDS/UNITS	82	82	82	82	82
DAYS IN PERIOD	365	366	365	365	365
POTENTIAL RESIDENT DAYS	29,930	30,012	29,930	29,930	29,930
ACTUAL RESIDENT DAYS					
ASSISTED LIVING	23,046	22,265	23,086	23,319	22,886
MEMORY CARE	5,645	5,765	5,718	5,653	5,723
TOTAL RESIDENT DAYS	28,691	28,030	28,805	28,972	28,609
AL OCCUPANCY	95.7%	92.2%	95.8%	96.8%	95.0%
MC OCCUPANCY	96.7%	98.4%	97.9%	96.8%	98.0%
OVERALL OCCUPANCY	95.9%	93.4%	96.2%	96.8%	95.6%
AVERAGE DAILY CENSUS (ADC)					
ASSISTED LIVING	63.1	60.8	63.3	63.9	62.7
MEMORY CARE	15.5	15.8	15.7	15.5	15.7
TOTAL ADC	78.6	76.6	78.9	79.4	78.4

Collection Loss

Collection loss has ranged during the subject's reporting periods from -0.21% to 0.81% of revenues with an average of 0.28%. In review of industry survey information, as well as actual operating data from similar-type facilities, most report collection loss between 0.0% and 2.0%. A prudent investor would include some degree of collection loss in developing a proforma budget. We estimate a collection loss factor based on the subject's operating history. The following chart summarizes our vacancy and collection loss calculations:

AS STABILIZED VACANCY AND COLLECTION LOSS
Sage Lake Senior Living

		VACANCY:		Collection Loss:		EFFECTIVE
	POTENTIAL REVENUE	%	AMOUNT	%	AMOUNT	GROSS INCOME
ASSISTED LIVING (AL)						
Studio	$1,555,200	5.0%	($77,760)	0.75%	($11,081)	$1,466,359
One-bedroom	$1,240,800	5.0%	($62,040)	0.75%	($8,841)	$1,169,919
Two-bedroom	$734,400	5.0%	($36,720)	0.75%	($5,233)	$692,447
AL Rental Revenues	$3,530,400	5.0%	($176,520)	0.75%	($25,154)	$3,328,726
MEMORY CARE (MC)						
Studio	$1,344,000	2.0%	($26,880)	0.75%	($9,878)	$1,307,242
MC Rental Revenues	$1,344,000	2.0%	($26,880)	0.75%	($9,878)	$1,307,242
OTHER REVENUES						
Community Fees AL	$92,400	5.0%	($4,620)	0.75%	($658)	$87,122
Community Fees MC	$26,880	2.0%	($538)	0.75%	($198)	$26,145
Second Residents AL	$79,200	5.0%	($3,960)	0.75%	($564)	$74,676
Additional Care Fees AL	$696,960	5.0%	($34,848)	0.75%	($4,966)	$657,146
Ancillary Revenues	$20,951	4.4%	($925)	0.75%	($150)	$19,876
Other Revenues	$916,391	4.9%	($44,891)	0.75%	($6,536)	$864,964
TOTALS	$5,790,791		($248,291)		($41,569)	$5,500,932

Compiled by Newmark

Effective Gross Income

The following table summarizes the projected estimate of income for the subject facility based on the previous findings. The stabilized revenues are based on current collections and reflect what we consider a typical investor would anticipate in Year 1 of stabilized operations.

REVENUE FORECAST
Sage Lake Senior Living

Date				6/19/2025
ASSISTED LIVING RENTAL		**RENT/MONTH**	**BEDS**	**REVENUE**
Studio		$4,050	32	$1,555,200
One-bedroom		$4,700	22	$1,240,800
Two-bedroom		$5,100	12	$734,400
Assisted Living Rental Revenues		$4,458	66	**$3,530,400**
MEMORY CARE RENTAL		**RENT/MONTH**	**BEDS**	**REVENUE**
Studio		$7,000	16	$1,344,000
Memory Care Rental Revenues		$7,000	16	**$1,344,000**
OTHER REVENUES	**NUMBER @**	**RATE**		**REVENUE**
Community Fees AL	33.00 /year @	$2,800 /move-in		$92,400
Community Fees MC	9.60 /year @	$2,800 /move-in		$26,880
Second Residents AL	6.60 /month @	$1,000 /month		$79,200
Additional Care Fees AL	36.30	$1,600 /month		$696,960
Ancillary Revenues	29,930 resident days @	$0.70 PRD		$20,951
Other Revenues				**$916,391**
POTENTIAL GROSS INCOME				$5,790,791
Vacancy - Assisted Living	5.00%		($176,520)	
Vacancy - Memory Care	2.00%		($26,880)	
Vacancy - Other Revenues	4.90%		($44,891)	
TOTAL VACANCY LOSS				($248,291)
TOTAL NET REVENUES				$5,542,500
COLLECTION LOSS	0.75%			($41,569)
EFFECTIVE GROSS INCOME				**$5,500,932**

[1] *Gross census number is prior to vacancy and collection loss.*

Compiled by Newmark

The following chart illustrates the reported and budgeted EGI relative to our estimate and the expense comparables:

Effective Gross Income

Source	Total	$/PRD Total
Comparables Low	--	$133.40
Comparables High	--	$221.06
Comparables Average	--	$177.32
Subject Operations and Projections	**Total**	**$/PRD**
2023	$4,752,669	$165.65
2024	$4,870,086	$173.75
T12 (MAY24 - APR25)	$5,188,291	$180.12
2025 Budget	$5,585,545	$192.79
NEWMARK STABILIZED ESTIMATES	$5,500,932	$192.28

OPERATING EXPENSE ESTIMATES

Our forecast of the subject property's Year 1 stabilized operating expenses was based on a review and analysis of the reported and budgeted operating data for the property and supported by operating expense data for other similar facilities. The operating expenses for a senior living facility such as the subject include relatively significant staffing components. We have separately estimated payroll costs by department as shown in the upcoming departmental reconciliations.

Expense Comparables

Before analyzing the reported and budgeted operating expenses for the subject, we have presented in the following table the operating expense data from several facilities in the region. Like the direct analysis of the subject's operating expenses, the comparable data has been expressed on a per resident day (PRD) cost for each of the categories.

OPERATING EXPENSE COMPARABLES

	SUBJECT		COMPARABLE 1		COMPARABLE 2		COMPARABLE 3		COMPARABLE 4		COMPARABLE 5				
COMPARABLE:															
STATE:	Louisiana		Florida		Florida		Oklahoma		Florida		Louisiana				
UNIT MIX															
ASSISTED:	66	80%	76	70%	44	46%	88	77%	102	83%	108	100%			
MEMORY CARE:	16	20%	32	30%	51	54%	27	23%	21	17%	0	0%			
TOTAL BEDS:	82	100%	108	100%	95	100%	115	100%	123	100%	108	100%			
OCCUPANCY:	95.6%		76.9%		93.5%		70.7%		92.2%		95.1%				
YEAR OF OPERATING DATA	2025		2024		2022		2024		2022		2021				
YEAR TRENDED TO (@ 3%)	2025		2025		2025		2025		2025		2025				
													LOW	AVG	HIGH
EFFECTIVE GROSS INCOME	$192.28		$201.09		$133.40		$160.17		$221.06		$170.86		$133.40	$177.32	$221.06
EXPENSES	PRD[1]	%EGI	PRD[1]	%EGI	PRD[1]	%EGI	PRD[1]	%EGI	PRD[1]	%EGI	PRD[1]	%EGI			
Property Taxes	$7.34	3.8%	$9.13	4.5%	$1.66	1.2%	$4.30	2.7%	$5.16	2.3%	$2.25	1.3%	$1.66	$4.50	$9.13
Insurance	$6.29	3.3%	$12.80	6.4%	$4.52	3.4%	$7.32	4.6%	$6.33	2.9%	$3.39	2.0%	$3.39	$6.87	$12.80
Utilities	$5.70	3.0%	$6.36	3.2%	$3.27	2.5%	$8.81	5.5%	$5.94	2.7%	$3.48	2.0%	$3.27	$5.57	$8.81
Building & Grounds	$7.05	3.7%	$9.61	4.8%	$4.58	3.4%	$6.39	4.0%	$13.83	6.3%	$6.43	3.8%	$4.58	$8.17	$13.83
Administrative	$19.00	9.9%	$32.79	16.3%	$21.07	15.8%	$22.11	13.8%	$33.27	15.0%	$17.46	10.2%	$17.46	$25.34	$33.27
Payroll Taxes & Benefits	$8.83	4.6%	$11.82	5.9%	$11.17	8.4%	$10.63	6.6%	$12.05	5.4%	$3.40	2.0%	$3.40	$9.81	$12.05
Dietary	$17.00	8.8%	$25.89	12.9%	$16.14	12.1%	$17.92	11.2%	$31.78	14.4%	$16.19	9.5%	$16.14	$21.58	$31.78
Housekeeping/Laundry	$3.75	2.0%	$5.30	2.6%	$5.23	3.9%	$4.73	3.0%	$2.05	0.9%	$2.45	1.4%	$2.05	$3.95	$5.30
Resident Care / Nursing	$38.45	20.0%	$44.83	22.3%	$30.47	22.8%	$43.55	27.2%	$48.18	21.8%	$50.05	29.3%	$30.47	$43.42	$50.05
Activities	$4.00	2.1%	$5.79	2.9%	$5.46	4.1%	$3.27	2.0%	$4.30	1.9%	$0.33	0.2%	$0.33	$3.83	$5.79
Management	$9.61	5.0%	$10.05	5.0%	$6.67	5.0%	$8.01	5.0%	$11.05	5.0%	$8.54	5.0%	$6.67	$8.87	$11.05
Reserves	$0.86	0.4%	$1.07	0.5%	$0.88	0.7%	$1.16	0.7%	$0.89	0.4%	$0.86	0.5%	$0.86	$0.97	$1.16
TOTAL OPERATING EXPENSES	$127.89	66.5%	$175.44	87.2%	$111.14	83.3%	$138.20	86.3%	$174.82	79.1%	$114.84	67.2%	$111.14	$142.89	$175.44
NOI	$64.40	33.5%	$25.64	12.8%	$22.26	16.7%	$21.98	13.7%	$46.24	20.9%	$56.02	32.8%	$21.98	$34.43	$56.02

[1] *Per Resident Day*

[2] *Comparable facilities are confidential.*

Compiled by Newmark

The data presented in the previous table will be used to ascertain, where possible, the reasonableness of the subject's reported and budgeted operating expenses from which to conclude to a market level expense projection.

Real Estate Taxes

This cost is for the annual real and personal property tax liability for the subject. The reported and budgeted costs for the subject are shown in the following chart. We have also included the range of costs exhibited by the expense comparables for this cost category.

Real Estate Taxes			
Source	Total	$/PRD Total	% EGI Total
Comparables Low	--	$1.66	1.25%
Comparables High	--	$9.13	4.54%
Comparables Average	--	$4.50	2.42%
Subject Operations and Projections	Total	PRD Total	% EGI Total
2023	$211,070	$7.36	4.44%
2024	$204,449	$7.29	4.20%
T12 (MAY24 - APR25)	$203,119	$7.05	3.91%
2025 Budget	$213,234	$7.36	3.82%
NEWMARK STABILIZED ESTIMATES	$210,000	$7.34	3.82%

Please see the Real Estate Tax section for a detailed analysis.

Insurance

This cost is for the annual professional, property, and liability insurance for the property and excludes auto insurance. The reported and budgeted costs for the subject are shown in the following chart.

Insurance			
Source	Total	$/PRD Total	% EGI Total
Comparables Low	--	$3.39	1.98%
Comparables High	--	$12.80	6.37%
Comparables Average	--	$6.87	3.83%
Subject Operations and Projections	Total	PRD Total	% EGI Total
2023	$178,491	$6.22	3.76%
2024	$181,466	$6.47	3.73%
T12 (MAY24 - APR25)	$156,221	$5.42	3.01%
2025 Budget	$214,722	$7.41	3.84%
NEWMARK STABILIZED ESTIMATES	$180,000	$6.29	3.27%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Utilities

Utility costs are often very property-specific due to factors such as local rates, construction quality and type, and the equipment used in the property. These expenses include power, water/sewer, and trash service. Cable television and phone service is included within the Administrative expenses for the subject. The comparables have been considered in a similar manner. The subject's reported and budgeted amounts and the comparable data are presented:

Utilities			
Source	Total	$/PRD Total	% EGI Total
Comparables Low	--	$3.27	2.04%
Comparables High	--	$8.81	5.50%
Comparables Average	--	$5.57	3.17%

Subject Operations and Projections	Total	PRD Total	% EGI Total
2023	$134,548	$4.69	2.83%
2024	$157,170	$5.61	3.23%
T12 (MAY24 - APR25)	$165,380	$5.74	3.19%
2025 Budget	$165,380	$5.71	2.96%
NEWMARK STABILIZED ESTIMATES	$163,070	$5.70	2.96%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Building and Grounds

These costs include general repairs and maintenance for the physical plant, supplies and equipment purchases for the facility, grounds maintenance, payroll costs for the maintenance staff, etc. The reported and budgeted costs for the subject, inclusive of the overall costs as well as on a PRD basis, are shown in the following chart. We have also included the range of costs exhibited by the expense comparables for this cost category, on a PRD basis.

Building and Grounds							
Source	Expenses	Salaries	Total	$/PRD Expenses	$/PRD Salaries	$/PRD Total	% EGI Total
Comparables Low	--	--	--	$2.03	$1.90	$4.58	3.4%
Comparables High	--	--	--	$5.22	$9.66	$13.83	6.3%
Comparables Average	--	--	--	$3.82	$4.34	$8.17	4.4%

Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$89,063	$0	$89,063	$3.10	$0.00	$3.10	1.9%
2024	$146,489	$49,155	$195,644	$5.23	$1.75	$6.98	4.0%
T12 (MAY24 - APR25)	$147,625	$44,310	$191,935	$5.13	$1.54	$6.66	3.7%
2025 Budget	$150,751	$46,643	$197,394	$5.20	$1.61	$6.81	3.5%
NEWMARK STABILIZED ESTIMATES	$147,335	$54,357	$201,691	$5.15	$1.90	$7.05	3.7%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Administrative

General and Administrative costs include the department's payroll costs as well as the property's office supplies, postage, communications (computer and telephone), licenses/permits, dues/subscriptions, travel/meals, transportation, and other costs necessary to run the administrative services. These expenses also include all payroll and supplies costs for marketing and advertisement. The reported and budgeted costs for the subject are presented in the following chart on an overall and PRD basis. The comparable data is shown on a PRD basis.

General and Administrative Expenses							
Operating Period	Expenses	Salaries	Total	Expenses	$/PRD Salaries	Total	% EGI Total
Comparables Low	--	--	--	$8.45	$9.01	$17.46	10.2%
Comparables High	--	--	--	$21.86	$15.27	$33.27	16.3%
Comparables Average	--	--	--	$13.73	$11.61	$25.34	14.2%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$119,308	$231,320	$350,629	$4.16	$8.06	$12.22	7.4%
2024	$273,117	$238,313	$511,430	$9.74	$8.50	$18.25	10.5%
T12 (MAY24 - APR25)	$313,769	$241,023	$554,792	$10.89	$8.37	$19.26	10.7%
2025 Budget	$286,548	$292,578	$579,126	$9.89	$10.10	$19.99	10.4%
NEWMARK STABILIZED ESTIMATES	$286,087	$257,478	$543,565	$10.00	$9.00	$19.00	9.9%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Payroll Taxes & Benefits

These expenses include all payroll taxes as well as health insurance, workers' compensation, and any other fringe benefits noted on the financial statements. The reported and budgeted costs for the subject are presented in the following chart.

Payroll Taxes and Benefits							
Operating Period	Payroll Taxes	Benefits	Total	Taxes % of Payroll	Benefits % of Payroll	PRD Total	% EGI Total
Comparables Low	--	--	--	--	--	$3.40	2.0%
Comparables High	--	--	--	--	--	$12.05	8.4%
Comparables Average	--	--	--	--	--	$9.81	5.7%
Subject Operations and Projections	Expenses	Salaries	Total	Payroll %	Benefits %	PRD Total	% EGI Total
2023	$245,943	$88,500	$334,443	18.16%	6.53%	$11.66	7.0%
2024	$0	$256,248	$256,248	0.00%	15.24%	$9.14	5.3%
T12 (MAY24 - APR25)	$0	$260,469	$260,469	0.00%	15.35%	$9.04	5.0%
2025 Budget	$0	$278,470	$278,470	0.00%	15.09%	$9.61	5.0%
NEWMARK STABILIZED ESTIMATES	$139,382	$113,248	$252,629	8.00%	6.50%	$8.83	4.6%

The financial statements grouped both payroll taxes and benefits under the same line item. For the purpose of our rereport we have broken these line items out and reconciled using market comparables.

Dietary

These costs include raw food costs, as well as kitchen supplies and all payroll costs for the food service staff. The subject's reported and budgeted costs, as well as our forecast for this category, are shown in the following chart; these expenses are included on an overall and PRD basis. We have also included the range of costs exhibited by the expense comparables for this cost category on a PRD basis.

Dietary Expenses							
Operating Period	Expenses	Salaries	Total	Expenses	$/PRD Salaries	Total	% EGI Total
Comparables Low	--	--	--	$6.52	$6.88	$16.14	9.5%
Comparables High	--	--	--	$16.08	$15.71	$31.78	14.4%
Comparables Average	--	--	--	$10.67	$10.91	$21.58	12.0%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$501,995	$0	$501,995	$17.50	$0.00	$17.50	10.6%
2024	$289,934	$214,434	$504,368	$10.34	$7.65	$17.99	10.4%
T12 (MAY24 - APR25)	$268,178	$193,015	$461,192	$9.31	$6.70	$16.01	8.9%
2025 Budget	$258,666	$180,825	$439,491	$8.93	$6.24	$15.17	7.9%
NEWMARK STABILIZED ESTIMATES	$286,087	$200,261	$486,348	$10.00	$7.00	$17.00	8.8%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Housekeeping / Laundry

This category is for all housekeeping and laundry costs, including all housekeeping and laundry supplies and payroll costs. The reported and budgeted costs for the subject, on an annual and PRD basis, are shown in the following chart. We have also included the range of costs exhibited by the expense comparables, on a PRD basis, for this cost category.

Housekeeping/Laundry Expenses							
Operating Period	Expenses	Salaries	Total	Expenses	$/PRD Salaries	Total	% EGI Total
Comparables Low	--	--	--	$0.76	$2.77	$2.05	0.9%
Comparables High	--	--	--	$2.45	$4.54	$5.30	3.9%
Comparables Average	--	--	--	$1.83	$3.53	$3.95	2.4%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$26,942	$50,448	$77,390	$0.94	$1.76	$2.70	1.6%
2024	$26,775	$73,023	$99,798	$0.96	$2.61	$3.56	2.0%
T12 (MAY24 - APR25)	$28,181	$73,991	$102,173	$0.98	$2.57	$3.55	2.0%
2025 Budget	$24,200	$96,405	$120,605	$0.84	$3.33	$4.16	2.2%
NEWMARK STABILIZED ESTIMATES	$27,178	$80,104	$107,283	$0.95	$2.80	$3.75	2.0%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Resident Care / Nursing

This category includes patient care costs, salaries, health supplies, therapy and pharmacy contracts (if applicable), as well as the costs for medical records. The reported and budgeted expenses for the subject, overall annual and PRD basis, are shown in the following chart. We have also included the range of costs exhibited by the expense comparables for this cost category.

Nursing Expenses							
Operating Period	Expenses	Salaries	Total	Expenses	$/PRD Salaries	Total	% EGI Total
Comparables Low	--	--	--	$0.68	$30.47	$30.47	21.8%
Comparables High	--	--	--	$3.98	$50.05	$50.05	29.3%
Comparables Average	--	--	--	$1.84	$42.31	$43.42	24.7%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$42,829	$1,025,804	$1,068,633	$1.49	$35.75	$37.25	22.5%
2024	$16,801	$1,055,523	$1,072,323	$0.60	$37.66	$38.26	22.0%
T12 (MAY24 - APR25)	$22,140	$1,092,548	$1,114,688	$0.77	$37.93	$38.70	21.5%
2025 Budget	$22,455	$1,156,615	$1,179,070	$0.78	$39.92	$40.70	21.1%
NEWMARK STABILIZED ESTIMATES	$21,457	$1,078,548	$1,100,005	$0.75	$37.70	$38.45	20.0%

Our estimate is in-line with the subject's operating history and is supported by the expense comparables.

Activities

This department is for the activity programs for the residents and includes supplies and payroll costs. The reported and budgeted costs for the subject, on an annual and PRD basis, are shown in the following chart. The following chart also includes the range of costs exhibited by the expense comparables, on a PRD basis, for this departmental category.

Activities Expense							
Operating Period	Expenses	Salaries	Total	Expenses	$/PRD Salaries	Total	% EGI Total
Comparables Low	--	--	--	$0.33	$2.90	$0.33	0.2%
Comparables High	--	--	--	$1.59	$4.20	$5.79	4.1%
Comparables Average	--	--	--	$0.95	$3.60	$3.83	2.2%
Subject Operations and Projections	Expenses	Salaries	Total	PRD Expenses	PRD Salaries	PRD Total	% EGI Total
2023	$62,767	$46,913	$109,679	$2.19	$1.64	$3.82	2.3%
2024	$39,438	$51,295	$90,733	$1.41	$1.83	$3.24	1.9%
T12 (MAY24 - APR25)	$46,483	$52,294	$98,777	$1.61	$1.82	$3.43	1.9%
2025 Budget	$41,417	$72,417	$113,834	$1.43	$2.50	$3.93	2.0%
NEWMARK STABILIZED ESTIMATES	$42,913	$71,522	$114,435	$1.50	$2.50	$4.00	2.1%

Our estimate is in-line with the subject's operating budget and is supported by the expense comparables.

Replacement Reserves

Replacement reserves are allocated to account for the replacement of roof covering, mechanical systems, furnishings, appliances, etc. Based on our discussions with market participants, most investors and operators budget between $300 and $500 per operating bed per year for replacement reserves. This cost varies substantially depending on the age, quality, and condition of the asset. In the case of the subject and its date of construction, we deducted $300 per operating bed, which equates to a total cost of $24,600, or $0.86 PRD. We have normalized this per-bed amount across the reported and budgeted financial statements and expense comparables.

Management Fees

In reviewing *The State of Seniors Housing 2023,* the average management fee for an independent living facility was 4.6% of total revenues while the average assisted living facility was 4.9% of revenue. Combined independent/assisted living facilities reported an average management fee of 5.0% while combined assisted living/memory care facilities reported an average of 4.9%. Due to their larger size, CCRCs had an average management fee of 4.6%. The respondents across the spectrum of seniors care indicate an overall average of 4.8%.

Management Fees

Source	Total	% EGI Total	Market Total	% EGI Total
Subject Operations and Projections	Total		Normalized	% EGI Total
2023	$238,817	5.02%	$237,633	5.00%
2024	$242,198	4.97%	$243,504	5.00%
T12 (MAY24 - APR25)	$267,717	5.16%	$259,415	5.00%
2025 Budget	$286,622	5.13%	$279,277	5.00%
NEWMARK STABILIZED ESTIMATES	N/A	N/A	$275,047	5.00%

In reconstructing the historical financial statements, we have normalized this expense by excluding any actual historical management fees and adding back the market level of 5.0%.

Expense Conclusion

Based on our analysis, we have forecast Year 1 operating expenses for the subject at $3,658,672, or $127.89 PRD (including management fees and replacement reserves). Our forecast, as well as the subject's reported and budgeted costs, and data indicated by the expense comparables, is summarized on the following chart.

Total Operating Expenses

Source	Expenses	Salaries	Total	$/PRD Expenses	$/PRD Salaries	$/PRD Total	% EGI Total
Comparables Low	--	--	--	$57.20	$53.93	$111.14	67.2%
Comparables High	--	--	--	$76.01	$99.43	$175.44	87.2%
Comparables Average	--	--	--	$66.59	$76.30	$142.89	80.6%
Subject Operations and Projections	**Expenses**	**Salaries**	**Total**	**PRD Expenses**	**PRD Salaries**	**PRD Total**	**% EGI Total**
2023	$1,963,690	$1,354,485	$3,318,174	$68.44	$47.21	$115.65	69.8%
2024	$1,859,991	$1,681,742	$3,541,733	$66.36	$60.00	$126.36	72.7%
T12 (MAY24 - APR25)	$1,895,581	$1,697,181	$3,592,762	$65.81	$58.92	$124.73	69.2%
2025 Budget	$1,959,721	$1,845,482	$3,805,203	$67.64	$63.70	$131.34	68.1%
NEWMARK STABILIZED ESTIMATES	$1,916,402	$1,742,270	$3,658,672	$66.99	$60.90	$127.89	66.5%

Our forecast Year 1 stabilized operating expense conclusion for the subject correlates to 66.51% of effective gross income. The expense ratios during the subject's reporting periods range from 68.1% to 72.7% of effective gross income. The comparables indicated a range of operating expense ratios from 67.21% to 87.25% with an average of 80.63% after management fees and replacement reserves.

Based on the comparable facilities as well as published data, our forecast operating expense ratio of 66.51% (including management fees and replacement reserves) falls within industry norms for this type of facility and appears reasonable.

NET OPERATING INCOME CONCLUSION

We have forecast Year 1 stabilized net operating income (NOI) for the subject at $1,842,260, or $64.40 PRD.

Net Operating Income		
Source	Total	$/PRD Total
Comparables Low	--	$21.98
Comparables High	--	$56.02
Comparables Average	--	$34.43
Subject Operations and Projections	Total	$/PRD
2023	$1,434,495	$50.00
2024	$1,328,353	$47.39
T12 (MAY24 - APR25)	$1,595,530	$55.39
2025 Budget	$1,780,342	$61.45
NEWMARK STABILIZED ESTIMATES	$1,842,260	$64.40

Going forward, in-place rates are expected to strengthen increase, as the subject fills its beds as soon as they become available. Based on our analysis of the data presented regarding the subject's operations and the comparable properties' operations, our resulting net operating income estimate is well supported by the subject's most recent trends on a per resident day (PRD) basis and the indications of market participants.

The following chart summarizes the revenue, vacancy, and collection loss, as well as operating expense conclusions based on our Year 1 projections.

OPERATING PRO FORMA
Sage Lake Senior Living

Premise:	As Is (Tax Exempt)			As Is		
Date:	6/19/2025			6/19/2025		
	Total	**$/PRD**	**% EGI**	**Total**	**$/PRD**	**% EGI**
POTENTIAL GROSS INCOME	$5,790,791	$202.41		$5,790,791	$202.41	
VACANCY LOSS	($248,291)	($8.68)		($248,291)	($8.68)	
COLLECTION LOSS	($41,569)	($1.45)		($41,569)	($1.45)	
EFFECTIVE GROSS INCOME	**$5,500,932**	**$192.28**		**$5,500,932**	**$192.28**	
OPERATING EXPENSES						
Property Taxes	$0	$7.34	3.82%	$210,000	$7.34	3.82%
Insurance	$180,000	$6.29	3.27%	$180,000	$6.29	3.27%
Utilities	$163,070	$5.70	2.96%	$163,070	$5.70	2.96%
Building & Grounds	$201,691	$7.05	3.67%	$201,691	$7.05	3.67%
Administrative	$543,565	$19.00	9.88%	$543,565	$19.00	9.88%
Payroll Taxes & Benefits	$252,629	$8.83	4.59%	$252,629	$8.83	4.59%
Dietary	$486,348	$17.00	8.84%	$486,348	$17.00	8.84%
Housekeeping/Laundry	$107,283	$3.75	1.95%	$107,283	$3.75	1.95%
Resident Care / Nursing	$1,100,005	$38.45	20.00%	$1,100,005	$38.45	20.00%
Activities	$114,435	$4.00	2.08%	$114,435	$4.00	2.08%
Prior to MF & Reserves	**$3,149,025**	**$117.41**	**57.25%**	$3,359,025	**$117.41**	**61.06%**
OER Prior to MF & Reserves	57.25%			61.06%		
Replacement Reserves	$24,600	$0.86	0.45%	$24,600	$0.86	0.45%
Management Fees	$275,047	$9.61	5.00%	$275,047	$9.61	5.00%
TOTAL EXPENSES	**$3,448,672**	**$127.89**	62.69%	**$3,658,672**	$127.89	66.51%
NET OPERATING INCOME	**$2,052,260**	**$64.40**	37.31%	**$1,842,260**	**$64.40**	33.49%
OPERATING EXPENSE RATIO	**62.69%**			**66.51%**		

Compiled by Newmark

CAPITALIZATION RATE

The capitalization rate is the factor that converts the stabilized net operating income (NOI) to a present value. It is the ratio of net income to value or sale price. In determining an appropriate capitalization rate for the subject property, we have reviewed capitalization rates extracted from the market sale comparables, industry data provided by *The Senior Care Acquisition Report* published by Irvin Levin Associates, Inc., and current findings from our national investor survey. This information is presented in the following pages.

Market Extracted Rates

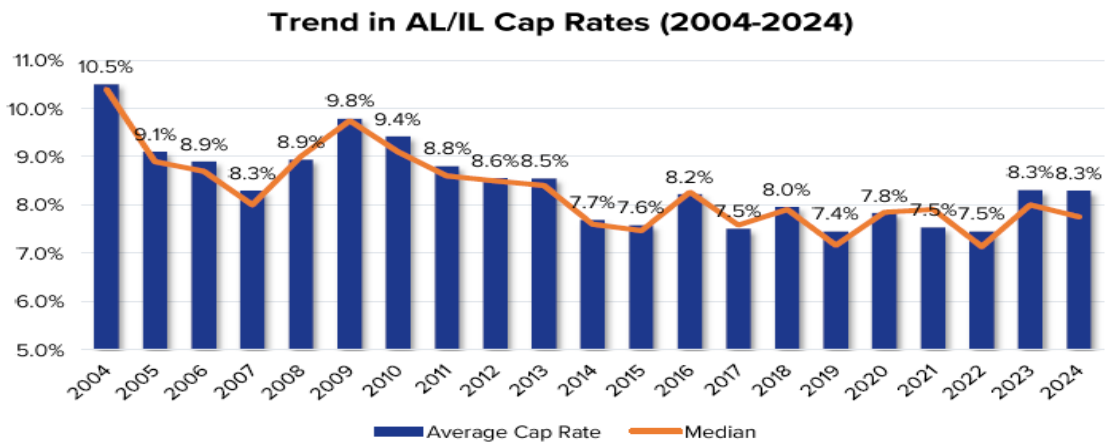
For comparable overall capitalization rates, we searched for recent sales of similar senior housing facilities. The following table includes capitalization rates from extracted from these transactions.

MARKET EXTRACTED CAPITALIZATION RATES

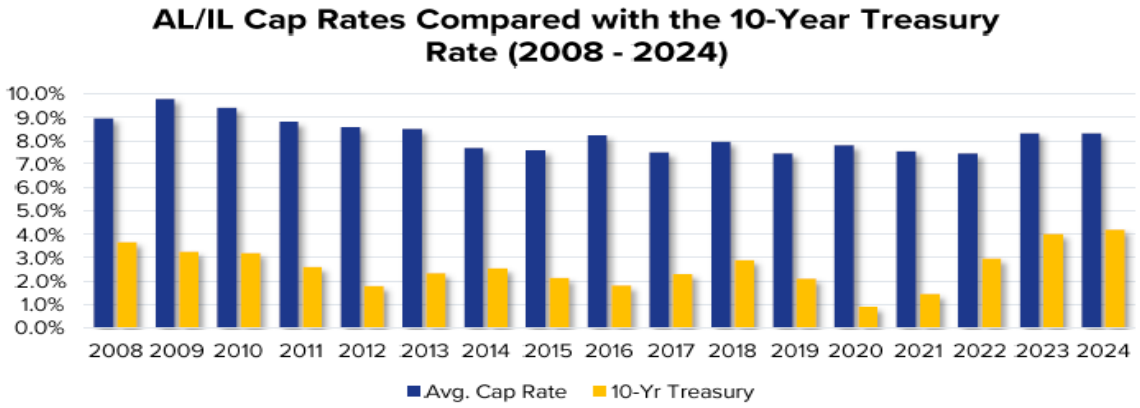
No.	Property Facility Type	Location	Sale Price Sale Date	No. Beds Year Built	NOI	Cap Rate
1	**Legacy Ridge at Peachtree** Assisted Living Residence	Georgia	$8,179,125 Mar-25	49 1995	$758,006	**9.27%**
2	**Benton House of Narcoossee** Assisted Living Residence with Memory Care	Florida	$17,900,000 Sep-24	72 2022	$1,387,250	**7.75%**
3	**Colonial Assisted Living** Assisted Living Residence with Memory Care	Florida	$8,227,475 Aug-24	76 1989	$601,040	**7.31%**
4	**The Summit at Lakewood Ranch** Assisted Living Residence with Memory Care	Florida	$27,500,000 Jan-24	117 2016	$2,200,000	**8.01%**
5	**Spanish Trail Assisted Living of Silsbee** Assisted Living Residence with Memory Care	Texas	$2,150,000 Jan-24	16 2013	$167,452	**7.79%**
6	**Heartis San Antonio** Assisted Living Residence with Memory Care	Texas	$36,000,000 Jul-23	109 2015	$2,520,000	**7.00%**
7	**Prairie House Assisted Living and Memory Care** Assisted Living Residence with Memory Care	Oklahoma	$25,750,000 Jun-23	105 2016	$1,673,750	**6.50%**
8	**Oaks at Grove Park** Assisted Living Residence with Memory Care	Georgia	$16,847,065 Mar-22	86 2019	$1,173,930	**6.97%**

Industry Survey Data

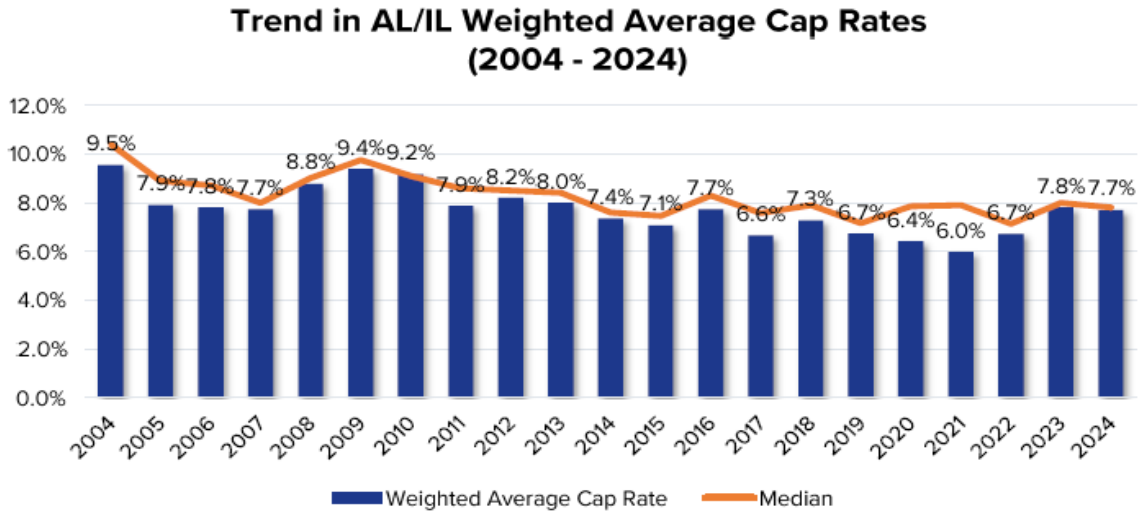
From an industry wide basis, we have referenced average capitalization rate trends as presented in *The Senior Care Acquisition Report 2025*, published by Irvin Levin Associates. This data is presented in the following charts. We note that these capitalization rates are generally shown after 5% management fees for nursing facilities and 6% for independent and/or assisted living communities. Importantly, these capitalization rates do not include expenses for reserves, so these rates overall are somewhat higher than appropriate for comparison to capitalization rates used in our appraisal.



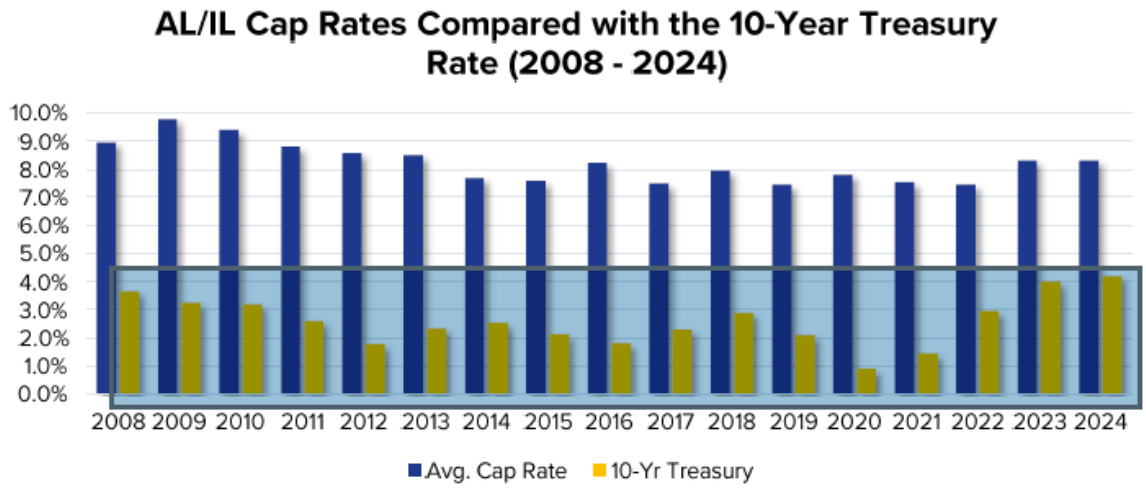
Source: The Senior Care Acquisition Report, 2025



Source: The Senior Care Acquisition Report, 2025



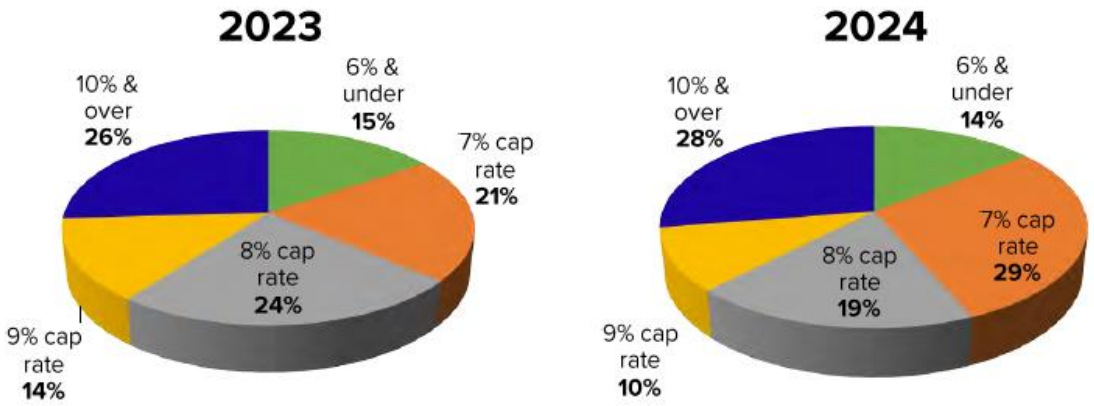
Source: The Senior Care Acquisition Report, 2025



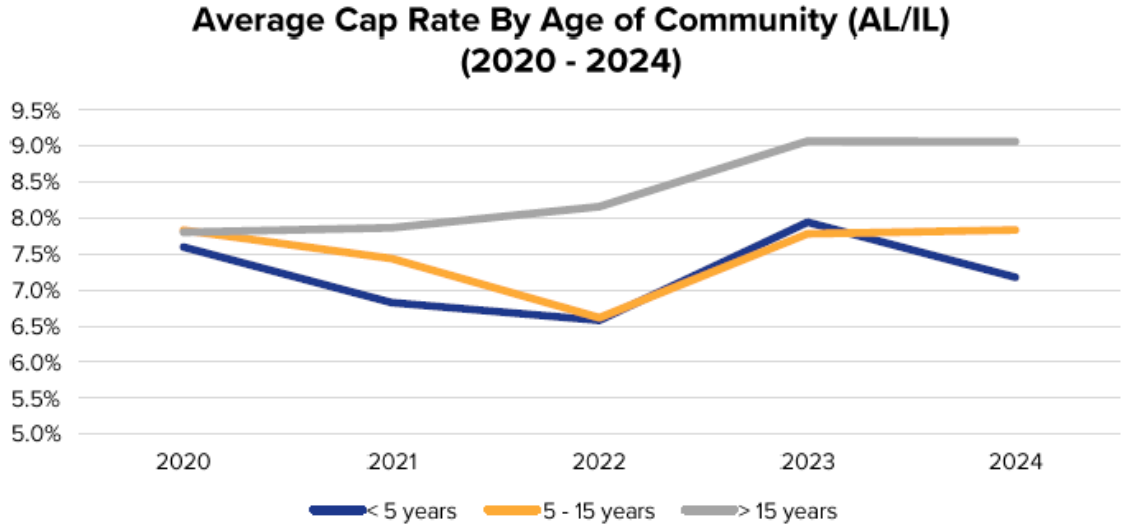
Source: The Senior Care Acquisition Report, 2025

According to *The Senior Care Acquisition Report 2025,* size is also sometimes a factor in the valuation of seniors housing properties, with larger, more institutional communities perceived as safer investments, in general. However, the smallest grouping includes many high-quality, "boutique" memory care communities that can be very profitable and were constructed largely in the last five years. But in 2024, as in previous years, the largest communities had the lowest average cap rate of 7.4%, followed by 8.6% for communities with 50 to 90 units and 9.8% for communities with under 50 units. Larger communities are more capable of absorbing census problems (10 move-outs mean a lot more to a 50-unit community than a 150-unit community) and covering higher labor costs associated with senior living.

Age isn't everything, and the newest community isn't always the best operated one in the market. But it can be a good indicator of value, since there is more of a risk that the baby boomers will reject the traditional seniors housing option, especially those with smaller units, fewer amenities and out-of-date technology. Year over year, there is usually a perfect correlation between age and the cap rates of properties, and that was nearly the case in 2024. The newest properties built less than five years ago sold on average at a 7.2% cap rate, but properties between five and 15 years old averaged 7.8% in 2024. The oldest properties saw their average cap rate remain at 9.1% in 2024.



Source: The Senior Care Acquisition Report, 2025



Source: The Senior Care Acquisition Report, 2025

Newmark Senior Housing Investor Survey

The ability to provide a safe and cost effective option for care in a facility is one of the key reasons why investors knew the seniors housing industry is a stable market with upside as demographic changes drive future demand.

Newmark Valuation & Advisory's Healthcare & Seniors Housing practice is a premier group of real estate professionals focused on the unique requirements and objectives of healthcare providers and senior housing operators. Utilizing extensive interviews and market observations, we provide expert advice to investors, property owners and operators on assets ranging from

large, 300-bed hospitals and entrance fee CCRC's to small clinics and free-standing senior housing facilities. Our specialized insight enables our team to align the business operations and real estate functions of a healthcare or senior living facility in order to deliver maximum value to investors and property owners. Assignments have included valuations, market and feasibility studies, and fair market rent surveys for Stark Law compliance. We provide appraisal services to lenders, hospital and senior housing operators, healthcare REITs and private equity firms.

2025 National Rates Comparison - Senior Housing		
Asset Category	**Capitalization Rate**	**Discount Rate**
Independent Living - Class A	5.75%	8.50%
Independent Living - Class B	6.00%	8.75%
Assisted Living / Memory Care - Class A	6.75%	9.50%
Assisted Living / Memory Care - Class B	7.00%	9.75%
Skilled Nursing - Class A	12.00%	14.50%
Skilled Nursing - Class B	12.50%	15.75%
CCRC - Class A	9.50%	12.00%
CCRC - Class B	9.75%	12.25%

Compiled by Newmark

CAPITALIZATION RATE CONCLUSION

In summary, the comparable sales provide a range of 6.50% to 9.27% with an average of 7.58%. Additionally, indications via the published data and our investor survey are summarized below:

The Senior Care Acquisition Report 2025:

- Average capitalization rate of 7.10% for independent living facilities
- Average capitalization rate of 8.60% for assisted living facilities
- Average capitalization rate of 12.20% for skilled nursing facilities
- Average capitalization rate of 8.90% for CCRCs

In determining a capitalization rate for the subject property, we have taken into account its overall age and condition, occupancy history, census and quality mix, state regulatory environment, market positioning, and investment criteria. The subject is an established assisted living residence with memory care with a good history of operating performance and has remained at stabilized levels for an extended period of time. In consideration of the presented data, we have concluded a capitalization rate for the subject property of 7.50%.

DIRECT CAPITALIZATION CONCLUSION

This indicates a value for the subject in “As Is” condition, via the income capitalization approach, of $24,600,000, with an effective date of June 19, 2025. A summary of our calculations is shown in the following summary.

DIRECT CAPITALIZATION METHOD						
Premise:	**As Is (Tax Exempt)**			**As Is**		
Date:	**6/19/2025**			**6/19/2025**		
	Value	**$/Bed**	**$/Unit**	**Value**	**$/Bed**	**$/Unit**
Net Operating Income (NOI):	$2,052,260			$1,842,260		
Low Range Capitalization Rate 7.25%	$28,307,034	$345,208	$345,208	$25,410,482	$309,884	$309,884
Most Likely Capitalization Rate 7.50%	$27,363,466	$333,701	$333,701	$24,563,466	$299,554	$299,554
High Range Capitalization Rate 7.75%	$26,480,774	$322,936	$322,936	$23,771,096	$289,891	$289,891
Concluded Value (NOI/Cap Rate):	$27,363,466	$333,701	$333,701	$24,563,466	$299,554	$299,554
Rounded:	**$27,400,000**	**$334,146**	**$334,146**	**$24,600,000**	**$300,000**	**$300,000**

Reconciliation of Value

The values indicated by our analyses are as follows:

Value Premises	Effective Date	Sales Comparison	Income Capitalization	Conclusion
As Is (TAB)	June 19, 2025	$24,600,000	$24,600,000	**$24,600,000**
As Is (TAB) - Tax Exempt	June 19, 2025	–	$27,400,000	**$27,400,000**

Sales Comparison Approach

The Sales Comparison Approach indicates a value estimate based on recent sales transactions involving senior housing facilities in the subject's region. The improved sales were adjusted for location, age, size, date of sale, amenities, and other physical plant features. Investors typically utilize improved sales to cross check price points per effective unit and the implied capitalization rates. Many of the healthcare investors we interviewed felt that the Sales Comparison Approach does provide an accurate reflection of market conditions for senior housing assets and is given significant weight in their reconciliation process when they analyze an investment opportunity.

The improved sales reflect current market conditions and were deemed comparable to the subject property. As such, the Sales Comparison Approach was concluded to provide a reasonable value conclusion and was considered in the final value reconciliation process.

Income Capitalization Approach

The Income Capitalization Approach is generally considered a very good indicator of market value for a senior housing asset given that most senior housing transactions involve the sale of the going concern. Most healthcare investors believe that the Income Capitalization Approach adequately reflects the value of the subject as a going concern because it factors operating income, staffing expenses, resident care expenses, goodwill, and overall operational issues into the indicated value. The income approach utilizes market derived capitalization rates, comparable rentals, actual staffing expenses, operating expense comparables, and a healthcare industry survey to support the indicated value.

As the subject property is projected to be a well-performing business with positive NOI upon stabilization, the Income Capitalization Approach was given primary consideration in our reconciliation of value.

MARKET VALUE AS IS - (TAB)

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, we have developed an opinion that the “As Is” market value of the Fee Simple estate of the total assets of the business (TAB) including real and personal property, as of June 19, 2025, was:

$24,600,000

AS IF TAX EXEMPT - (TAB)

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, we have developed an opinion that the “As if Tax Exempt” value of the total assets of the business (TAB) including real and personal property, as of June 19, 2025, will be:

$27,400,000

EXPOSURE TIME

Exposure time is the estimated length of time the subject property would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. It is a retrospective estimate based on an analysis of past events assuming a competitive and open market.

Recent sales transaction data for similar properties, supply and demand characteristics for the senior healthcare market, and the opinions of local market participants were reviewed and analyzed. Based on this data and analysis, it is our opinion that the probable exposure time for the subject at the concluded market values stated previously is 9 months.

MARKETING TIME

Marketing time is an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. Accordingly, we estimate the subject’s marketing period at 9 months.

PERSONAL PROPERTY ALLOCATION

Included in the estimate of market value is the contributing value of the personal property or the furnishings, fixtures and equipment (FF&E). FF&E is generally considered to be part of an assisted living residence with memory care and is typically sold with the building. It is therefore considered to be a part of the property's total value. FF&E includes the individual unit and public area furnishings, kitchen equipment, service/maintenance equipment and other machinery. We estimated the value of the FF&E as new to be $622,380, including a 10.0% factor for soft costs and 15.0% for entrepreneurial profit.

Physical deterioration (depreciation) must be deducted for the FF&E. Based on our physical inspection of the property, we are of the opinion that the existing personal property is currently in above average physical condition. We have estimated an effective age for the FF&E at 2 years. As we have estimated that the subject's FF&E has a useful life of 10 years, this equates to 20% depreciation factor, as summarized in the following table.

FURNITURE, FIXTURES AND EQUIPMENT (FF&E)

	No. Operating Beds	Cost ($/Bed)	Cost Factors	Totals
FF&E	82	$6,000		$492,000
Indirect Costs			10.00%	$49,200
Subtotal:				$541,200
Entrepreneurial Incentive			15.00%	$81,180
Total Value of FF&E As New				$622,380
Physical Life (Yrs)				10
Effective Age (Yrs)				2
Percent Depreciated				20.0%
Percent Value Remaining				80.0%
Depreciated Value				$497,904
Rounded				**$500,000**

The contributing value of the FF&E is considered to be the cost of the FF&E less its accrued depreciation. This equates to a depreciated value of $500,000 rounded.

INTANGIBLE ASSETS ALLOCATION

Senior living facilities are undisputedly a combination of business and real estate; the day-to-day operation of a senior living facility may include an intangible property component over and above the real estate value. The intangible property may reflect reputation, work force, contracts, copyrights, patents, trademarks, or residual income. The intangible property component is typically referred to as “business enterprise value.”

In the valuation of the total assets of the business, appraisers are required to separately allocate the value of the real property, Furniture, Fixtures and Equipment (FF&E), and the intangibles in order not to be misleading to a reader of the appraisal report.

In the last several years, real estate appraisers have begun to utilize a variety of methods such as debt service coverage ratios, market leases for real estate, and net operating income allocations for business operations to determine the intangible allocation. There are pros and cons to each of the alternatives and there is no clear agreement on the most appropriate method. In fact, the courses related to teaching these allocation methods are taught as "suggestions only" and not as specific requirements to be used in going concern appraisals.

For the purposes of our allocations, we have employed the lease coverage method.

Lease Coverage Method: In estimating the Market Value of the Intangibles, we have considered typical lease agreements for senior housing and care properties. Real Estate Investment Trusts (REITs) specializing in senior housing assets generally structure leases to represent a return on the real property position. Leases are structured to provide a margin of security to the leased fee position, as well as to allow for a return to the operator.

Based upon a review of lease transactions in the senior housing sector and our discussions with market participants, leases are typically structured with Lease Coverage Ratios ranging from 1.10 to 1.60, depending on the location, asset quality, size and operating characteristics of a given property. For a facility of similar size and quality to the subject, a lease coverage ratio within the middle portion of the market range is appropriate. Therefore, we have estimated a lease coverage ratio of 1.30 for the subject property. From the stabilized net operating income estimated for the subject property, a net return to the real property can be deduced by means of relying on a lease coverage ratio analysis.

Due to their long lived nature, real property is generally considered to contain less overall risk than FF&E or intangible assets. We have capitalized the estimated net operating income attributable to the real property at a rate that is 100 basis points below the overall capitalization rate selected for the going concern valuation, resulting in a capitalization rate of 6.50% (real estate only). Finally, deducting the resultant allocation to the real estate and FF&E value from the concluded going concern value yields a residual allocation to the intangibles via the Lease

Coverage Method. Our allocations through this method are presented in the following charts for each value premise:

AS IS - ALLOCATION VIA LEASE COVERAGE METHOD		
Component		**Calculations**
Net Operating Income (Year 1) (Going Concern)		$1,842,260
Divided by Lease Coverage Ratio	÷	1.30
Net Operating Income (Real Estate Position)		$1,417,123
Divided by Capitalization Rate (Real Estate)	÷	6.50%
Real Property Allocation		$21,801,893
Real Property Allocation (Rounded)		**$21,800,000**

AS IF TAX EXEMPT - ALLOCATION VIA LEASE COVERAGE METHOD		
Component		**Calculations**
Net Operating Income (Year 1) (Going Concern)		$2,052,260
Divided by Lease Coverage Ratio	÷	1.30
Net Operating Income (Real Estate Position)		$1,578,662
Divided by Capitalization Rate (Real Estate)	÷	6.50%
Real Property Allocation		$24,287,100
Real Property Allocation (Rounded)		**$24,300,000**

The individual lease coverage allocations are summarized within the following charts:

LEASE COVERAGE - AS IS	
Component	**Allocated Value**
Market Value (TAB)	$24,600,000
Allocated Value of Real Property	$21,800,000
Allocated Value of FF&E	$500,000
Allocated Value of the Intangibles	$2,300,000

ALLOCATION CONCLUSION - AS IF TAX EXEMPT	
Component	**Allocated Value**
Market Value (TAB)	$27,400,000
Allocated Value of Real Property	$24,300,000
Allocated Value of FF&E	$500,000
Allocated Value of the Intangibles	$2,600,000

Assumptions and Limiting Conditions

The Appraisal contained in this Report (herein "Report") is subject to the following assumptions and limiting conditions:

1. Unless otherwise stated in this report, title to the property which is the subject of this report (herein "Property") is assumed to be good and marketable and free and clear of all liens and encumbrances and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. No responsibility is assumed for the legal description, zoning, condition of title or any matters which are legal in nature or otherwise require expertise other than that of a professional real estate appraiser. This report shall not constitute a survey of the Property.

Unless otherwise stated in this report, it is assumed: that the improvements on the Property are structurally sound, seismically safe and code conforming; that all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; that the roof and exterior are in good condition and free from intrusion by the elements; that the Property and improvements conform to all applicable local, state, and federal laws, codes, ordinances and regulations including environmental laws and regulations. No responsibility is assumed for soil or subsoil conditions or engineering or structural matters. The Property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report is based, unless otherwise stated. The physical condition of the Property reflected in this report is solely based on a visual inspection as typically conducted by a professional appraiser not someone with engineering expertise. Responsible ownership and competent property management are assumed.

Unless otherwise stated in this report, this report did not take into consideration the existence of asbestos, PCB transformers or other toxic, hazardous, or contaminated substances or underground storage tanks, or the cost of encapsulation, removal or remediation thereof. Real estate appraisers are not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater or other potentially hazardous materials and substances may adversely affect the value of the Property. Unless otherwise stated in this report, the opinion of value is predicated on the assumption that there is no such material or substances at, on or in the Property.

All statements of fact contained in this report as a basis of the analyses, opinions, and conclusions herein are true and correct to the best of the appraiser's actual knowledge and belief. The appraiser is entitled to and relies upon the accuracy of information and material furnished by the owner of the Property or owner's representatives and on information and data provided by sources upon which members of the appraisal profession typically rely and that are deemed to be reliable by such members. Such information and data obtained from third party sources are assumed to be reliable and have not been independently verified. No warranty is made as to the accuracy of any of such information and data. Any material error in any of the said information or data could have a substantial impact on the conclusions of this Report. The appraiser reserves the right to amend conclusions reported if made aware of any such error.

The opinion of value stated in this report is only as of the date of value stated in this report. An appraisal is inherently subjective and the conclusions stated apply only as of said date of value, and no representation is made as to the effect of subsequent events. This report speaks only as of the date hereof.

Any projected cash flows included in the analysis are forecasts of estimated future operating characteristics and are predicated on the information and assumptions contained within this report. Any projections of income, expenses and economic conditions utilized in this report are not predictions of the future. Rather, they are estimates of market expectations of future income and expenses. The achievement of any financial projections will be affected by fluctuating economic conditions and is dependent upon other future occurrences that cannot be assured. Actual results may vary from the projections considered herein. There is no warranty or assurances that these forecasts will occur. Projections may be affected by circumstances beyond anyone's knowledge or control. Any income and expense estimates contained in this report are used only for the purpose of estimating value and do not constitute predictions of future operating results.

The analyses contained in this report may necessarily incorporate numerous estimates and assumptions regarding Property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by the analysis will vary from estimates, and the variations may be material.

All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraphs, several events may occur that could substantially alter the outcome of the estimates such as, but not limited to changes in the economy, interest rates, capitalization rates, behavior of consumers, investors and

lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. In making prospective estimates and forecasts, it is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. This report shall be considered only in its entirety. No part of this report shall be utilized separately or out of context.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the Firm. Possession of this report, or a copy hereof, does not carry with it the right of publication.

Client and any other Intended User identified herein should consider this report and the opinion of value contained herein as only one factor together with its own independent considerations and underwriting guidelines in making any decision or investment or taking any action regarding the Property. Client agrees that Firm shall not be responsible in any way for any decision of Client or any Intended User related to the Property or for the advice or services provided by any other advisors or contractors. The use of this report and the appraisal contained herein by anyone other than an Intended User identified herein, or for a use other than the Intended Use identified herein, is strictly prohibited. No party other than an Intended User identified herein may rely on this report and the appraisal contained herein.

Unless otherwise stated in the agreement to prepare this report, the appraiser shall not be required to participate in or prepare for or attend any judicial, arbitration, or administrative proceedings.

The Americans with Disabilities Act (ADA) became effective January 26, 1992. No survey or analysis of the Property has been made in connection with this report to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. No expertise in ADA issues is claimed, and the report renders no opinion regarding the Property's compliance with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

Acceptance and/or use of this report constitutes full acceptance of these Assumptions and Limiting Conditions and any others contained in this report, including any Extraordinary

Assumptions and Hypothetical Conditions, and is subject to the terms and conditions contained in the agreement to prepare this report and full acceptance of any limitation of liability or claims contained therein.

Americans with Disabilities Act (ADA) of 1990

A civil rights act passed by Congress guaranteeing individuals with disabilities equal opportunity in public accommodations, employment, transportation, government services, and telecommunications. Statutory deadlines become effective on various dates between 1990 and 1997. We have not made a determination regarding the subject's ADA compliance or non-compliance. Non-compliance could have a negative impact on value; however, this has not been considered or analyzed in this appraisal.

Addendum A

Glossary of Terms

The following definitions are derived from The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015).

Absorption Period: The actual or expected period required from the time a property, group of properties, or commodity is initially offered for lease, purchase, or use by its eventual users until all portions have been sold or stabilized occupancy has been achieved.

Absorption Rate: 1) Broadly, the rate at which vacant space in a property or group of properties for sale or lease has been or is expected to be successfully sold or leased over a specified period of time. 2) In subdivision analysis, the rate of sales of lots or units in a subdivision.

Ad Valorem Tax: A tax levied in proportion to the value of the thing(s) being taxed. Exclusive of exemptions, use-value assessment provisions, and the like, the property tax is an ad valorem tax. (International Association of Assessing Officers [IAAO])

As Is Market Value: The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Interagency Appraisal and Evaluation Guidelines) Note that the use of the "as is" phrase is specific to appraisal regulations pursuant to FIRREA applying to appraisals prepared for regulated lenders in the United States. The concept of an "as is" value is not included in the Standards of Valuation Practice of the Appraisal Institute, Uniform Standards of Professional Appraisal Practice, or International Valuation Standards.

Assessed Value: The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value.

Cash Equivalency: An analytical process in which the sale price of a transaction with nonmarket financing or financing with unusual conditions or incentives is converted into a price expressed in terms of cash or its equivalent.

Contract Rent: The actual rental income specified in a lease.

Disposition Value: The most probable price that a specified interest in property should bring under the following conditions: 1) Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market. 2) The property is subjected to market conditions prevailing as of the date of valuation. ***3)*** Both the buyer and seller are acting prudently and knowledgeably. 4) The seller is under compulsion to sell. 5) The buyer is typically motivated. 6) Both parties are acting in what they consider to be their best interests. 7) An adequate marketing effort will be made during the exposure time. 8) Payment will be made in cash in US dollars (or the local currency) or in terms of financial arrangements comparable thereto. 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales

concessions granted by anyone associated with the sale. This definition can also be modified to provide for valuation with specified financing terms.

Effective Rent: Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord.

Excess Land: Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. See also ***surplus land.***

Excess Rent: The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties.

Exposure Time: 1) The time a property remains on the market. 2) [The] estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

Extraordinary Assumption: An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. See also ***hypothetical condition.***

Fee Simple Estate: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Floor Area Ratio (FAR): The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area.

Frictional Vacancy: The amount of vacant space needed in a market for its orderly operation. Frictional vacancy allows for move-ins and move-outs.

Full Service Lease: See ***gross lease.***

General Vacancy: A method of calculating any remaining vacancy and collection loss considerations when using discounted cash flow (DCF) analysis, where turnover vacancy has been used as part of the income estimate. The combined effects of turnover vacancy and general vacancy relate to total vacancy and collection loss.

Going-Concern Premise: One of the premises under which the total assets of a business can be valued; the assumption that a company is expected to continue operating well into the future (usually indefinitely).

Going Concern Value: An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the market value of the going concern or market value of the total assets of the business.

Gross Building Area (GBA): 1) Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved. 2) Gross leasable area plus all common areas. 3) For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space.

Gross Lease: A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called full-service lease.

Hypothetical Condition: 1) A condition that is presumed to be true when it is known to be false. (Appraisal Institute: The Standards of Valuation Practice [SVP]) 2) A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. See also ***extraordinary assumption.***

Intended Users: 1) The party or parties the valuer intends will use the report. (SVP) 2) The client and any other party as identified, by name or type, as users of the appraisal or appraisal review report by the appraiser on the basis of communication with the client at the time of the assignment. (USPAP, 2016-2017 ed.)

Investment Value: 1) The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.
2) The value of an asset to the owner or a prospective owner for individual investment or operational objectives. (International Valuation Standards [IVS])

Land-to-Building Ratio: The proportion of land area to gross building area; one of the factors determining comparability of properties.

Lease: A contract in which the rights to use and occupy land, space, or structures are transferred by the owner to another for a specified period of time in return for a specified rent.

Leased Fee Interest: The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

Leasehold Interest: The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

Lessee: One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement.

Lessor: One who conveys the rights of occupancy and use to others under a lease agreement.

Liquidation Value: The most probable price that a specified interest in property should bring under the following conditions: 1) Consummation of a sale within a short time period. 2) The property is subjected to market conditions prevailing as of the date of valuation. 3) Both the buyer and seller are acting prudently and knowledgeably. 4) The seller is under extreme compulsion to sell. 5) The buyer is typically motivated. 6) Both parties are acting in what they consider to be their best interests. 7) A normal marketing effort is not possible due to the brief exposure time. 8) Payment will be made in cash in US dollars (or the local currency) or in terms of financial arrangements comparable thereto. 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. This definition can also be modified to provide for valuation with specified financing terms.

Market Rent: The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).

Market Value: A type of value that is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined, such as the following. 1) The most widely accepted components of market value are incorporated in the following definition: The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress. 2) Market value is described, not defined, in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows: A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of

such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal. [2]

Market Value of the Going Concern: The market value of an established and operating business including the real property, personal property, financial assets, and the intangible assets of the business.

Marketing Time: An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.

Modified Gross Lease: A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a double net lease, net net lease, partial net lease, or semi-gross lease.

Net Lease: A lease in which the landlord passes on all expenses to the tenant. See also ***gross lease; modified gross lease.***

Net Net Net Lease: An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called NNN lease, triple net lease, or fully net lease.

Occupancy Rate: 1) The relationship or ratio between the potential income from the currently rented units in a property and the income that would be received if all the units were occupied.
2) The ratio of occupied space to total rentable space in a building.

Overage Rent: The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakpoint sales volume.

Percentage Rent: Rental income received in accordance with the terms of a percentage lease; typically derived from retail store and restaurant tenants and based on a certain percentage of their gross sales.

Prospective Market Value "As Completed" and "As Stabilized": A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with

[2] The actual definition of value used for this appraisal is contained within the body of the report. The definition of market value given above is general in viewpoint and is only provided for amplification.

a prospective market value reflects an effective date that is subsequent to the date of the appraisal report. Prospective value opinions are intended to reflect the current expectations and perceptions of market participants, based on available data. Two prospective value opinions may be required to reflect the time frame during which development, construction, and occupancy will occur. The prospective market value—as completed— reflects the property's market value as of the time that development is expected to be completed. The prospective market value—as stabilized— reflects the property's market value as of the time the property is projected to achieve stabilized occupancy. For an income-producing property, stabilized occupancy is the occupancy level that a property is expected to achieve after the property is exposed to the market for lease over a reasonable period of time and at comparable terms and conditions to other similar properties. (See USPAP Statement 4* and Advisory Opinion 17.) (Interagency Appraisal and Evaluation Guidelines)

Prospective Opinion of Value: A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

Rentable Area: For office or retail buildings, the tenant's pro rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to the areas below. The rentable area of a floor is computed by measuring to the inside finished surface of the dominant portion of the permanent building walls, excluding any major vertical penetrations of the floor. Alternatively, the amount of space on which the rent is based; calculated according to local practice.

Retrospective Value Opinion: A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."

Shell Rent: The typical rent paid for retail, office, or industrial tenant space based on minimal "shell" interior finishes (called vanilla finish or white wall finish in some areas). Usually the landlord delivers the main building shell space or some minimum level of interior build-out, and the tenant completes the interior finish, which can include wall, ceiling, and floor finishes, mechanical systems, interior electricity, and plumbing. Typically these are long-term leases with tenants paying all or most property expenses.

Surplus Land: Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an

independent highest and best use and may or may not contribute value to the improved parcel. See also ***excess land.***

Turnover Vacancy: A method of calculating vacancy allowance that is estimated or considered as part of the potential income estimate when using discounted cash flow (DCF) analysis. As units or suites turn over and are available for re-leasing, the periodic vacancy time frame (vacancy window) to release the space is considered.

Usable Area: 1) For office buildings, the actual occupiable area of a floor or an office space; computed by measuring from the finished surface of the office side of corridor and other permanent walls, to the center of partitions that separate the office from adjoining usable areas, and to the inside finished surface of the dominant portion of the permanent outer building walls. Sometimes called net building area or net floor area. See also floor area. 2) The area that is actually used by the tenants measured from the inside of the exterior walls to the inside of walls separating the space from hallways and common areas.

Use Value: The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Use value may or may not be equal to market value but is different conceptually. See also ***value in use.***

Value In Use: The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually. See also ***use value.***

Value Indication: A valuer's conclusion of value resulting from the application of an approach to value, e.g., the value indication by the sales comparison approach.

Addendum B

Engagement Letter

May 29, 2025

Peter Czajkowski
Director of Public Finance
STIFEL, NICOLAUS & COMPANY, INCORPORATED
501 N. Broadway, St. Louis, MO 63102

Phone: 314-602-8823
Email: czajkowp@stifel.com

Re: Appraisal of the property described as:
Liana of Venice - 2321 E Venice Ave, Venice, FL 34292
The Fairways at Naples - 3053 Airport-Pulling Rd N, Naples, FL
White Cliffs Senior Living - 3600 Peterson Rd, Kingman, AZ 86409 34105
Restoration Senior Living - 1444 Andrew Dr, Covington, LA 70433 ("**Properties**")

Dear Mr. Czajkowski:

Newmark Valuation & Advisory, LLC ("**Firm**") agrees to provide Stifel, Nicolaus & Company, Incorporated ("**Client" or "Stifel"**) an appraisal of the above Property in accordance with, and subject to, the terms and conditions set forth below and in the attached Schedules (collectively, the "**Agreement**").

APPRAISAL FEE:	$11,000.00 (inclusive of expenses).
ADDITIONAL HOURLY FEES:	None
RETAINER:	$5,500.00 with the return of this letter signed by the Client.
REPORT DELIVERABLES:	The appraisal, draft and/or final, shall be delivered in electronic format (typically, pdf). One original hard copy of the final appraisal will be provided to Client upon request.
COMMENCEMENT AND DELIVERY DATE:	Delivery is as follows: Final appraisal report: three (3) weeks The appraisal process will commence upon receipt by the Firm of (i) this Agreement, signed by Client, (ii) the retainer, and (iii) information and

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	materials identified in Schedule "B." The appraisal process will conclude upon delivery of the final appraisal report, unless terminated sooner by the Firm or Client or as provided herein.
REPORT TYPE:	Appraisal Report
VALUATION PREMISE:	Market Value
INTEREST IN THE PROPERTY APPRAISED:	Fee Simple Estate
DATE(S) OF VALUE:	Current as of: the Date of the Report Prospective as of: the Date(s) of Stabilization Current tax exempt as of: the Date of the Report
INTENDED USER(S):	Intended users of the appraisal include only Stifel and the not-for-profit designated purchaser of the properties ("**Intended User(s)**"), and no other party is permitted to use or rely on the appraisal. The identification of Intended User(s) of the appraisal is to determine the type and extent of research, analysis and reporting appropriate for the assignment. Designation of a party other than Client as an Intended User is not intended to confer upon such party any rights under this Agreement.
INTENDED USE:	The intended use of the appraisal is to be included within offering materials inconnection with the sale of securities to finance the acquisition of the Properties ("**Intended Use**") and no other use. The Firm will provide its consent to the Intended Use contingent only upon review of such offering materials to ensure use of appropriate language associated with references to the Appraisal.
RELIANCE LANGUAGE:	None
GUIDELINES:	The analyses, opinions and conclusions are to be developed based on, and the appraisal will be prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) as published by the Appraisal Foundation.
SCOPE OF WORK:	The appraiser will use and properly apply all applicable and appropriate approaches to value sufficient to produce credible assignment results. The scope of the analysis will be appropriate for the appraisal problem.
APPRAISAL REPORT SIGNATORY:	Patrick Murphy

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ASSUMPTIONS/ LIMITING CONDITIONS:	The appraisal will be subject to Firm's standard Assumptions and Limiting Conditions, which will be incorporated into the appraisal report. In addition, the appraisal may be subject to, and the appraisal report may contain, Extraordinary Assumptions and Hypothetical Conditions.
ACCEPTANCE:	This shall constitute a binding agreement only if countersigned by the Client, or by an officer, director or other representative of Client who, by signing and accepting this Agreement, represents and warrants that he/she is authorized by Client to do so.
PAYMENT:	Client will be invoiced the appraisal fee (and any expenses) which will be earned in full upon initial delivery of the appraisal report (draft or final), with such appraisal fee (and expenses) payable within 30 days of invoicing. Payment of the fee is not contingent upon any predetermined value or on an action or event resulting from the analysis, opinions, conclusions or use of the appraisal.
CHANGES TO THE AGREEMENT:	Any significant changes to the assignment as outlined in this Agreement, such as the identity of the Client, Intended Users, or Intended Use, will require the preparation and execution of a new agreement.
CANCELLATION OF ASSIGNMENT:	Client may cancel this Agreement at any time prior to the Firm's delivery of the appraisal upon written notification to the Firm. Client shall pay Firm for all work completed on the assignment prior to Firm's receipt of such written cancellation notice, unless otherwise agreed upon by Firm and Client in writing. The Firm may withdraw without penalty or liability from the assignment(s) contemplated by the Agreement before completion or reporting if the Firm determines, in the Firm's sole discretion, that incomplete information was provided to the Firm prior to the engagement, that Client or other parties have not or cannot provide documentation or information necessary to the Firm's analysis or reporting, that conditions of the Property render the original scope of work inappropriate, that a conflict of interest has arisen, or that Client has not complied with its payment obligations under this Agreement. The Firm shall notify Client of such withdrawal in writing.
NO THIRD-PARTY BENEFICIARIES:	Nothing in the Agreement shall create a contractual relationship or any legal duty between Firm or Client and any third party, nor any cause of action, right, or claim in favor of any third party and against Firm or Client. In addition, this Agreement is not intended to, and shall not be construed to, render any person or entity a third-party beneficiary of this Agreement. Client acknowledges and agrees that the appraisal report shall reflect the foregoing. In addition, the appraisal report shall state that no party other

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than an “Intended User” identified in the Agreement is entitled to rely upon the appraisal.

This Agreement may be rescinded by the Firm unless signed and returned to the undersigned within 10 days from the date hereof.

If this Agreement correctly sets forth the Client’s understanding of the services to be rendered, and if the terms are satisfactory, please execute and return the Agreement together with any required retainer.

Thank you and we look forward to working on this assignment.

Respectfully,

Patrick Murphy
Senior Appraiser
Certified General Appraiser
License No. Cert Gen RZ4537
Patrick.Murphy@nmrk.com
813-262-2536

Agreed: Stifel, Nicolaus & Company, Incorporated

SIGNATURE:

PRINT NAME: Peter J. Czajkowski

TITLE: Director of Public Finance

DATE: May 29, 2025

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Schedule “A”

TERMS AND CONDITIONS

ATTACHED TO AND A PART OF THE AGREEMENT DATED MAY 29, 2025 TO PROVIDE APPRAISAL SERVICES FOR STIFEL, NICOLAUS & COMPANY, INCORPORATED

1. These Terms and Conditions are attached to and incorporated into the above referenced Agreement as though fully set forth in full therein. Capitalized terms if not defined herein shall have the same meaning as defined in the Agreement.

2. With respect to any appraisal report, use of or reliance on the appraisal by any party, regardless of whether the use or reliance is authorized or known by the Firm, constitutes acceptance of these Terms and Conditions as well as acceptance of all other appraisal statements, limiting conditions and assumptions stated in the Agreement and appraisal report.

3. It is assumed that there are no matters affecting the Property that would require the expertise of other professionals, such as engineers or an environmental consultant, for Firm to provide the appraisal. If such additional expertise is required, it shall be provided by other parties retained by Client at Client’s sole cost and expense.

4. Client acknowledges that the Firm is being retained as an independent contractor to provide the services described herein and nothing in this Agreement shall be deemed to create any other relationship between Firm and Client, including but not limited to an agency relationship. The parties neither intend nor have any expectation that any such relationship will arise as a matter of law or as a result of this Agreement. This assignment shall be deemed concluded and the services hereunder completed upon delivery of the appraisal described herein to Client.

5. All statements of fact contained in the appraisal report as a basis of the appraiser's analyses, opinions, and conclusions will be true and correct to the best of the appraiser's actual knowledge and belief. The appraiser is entitled to, and shall rely upon the accuracy of information and material furnished to the Firm by Client. Appraiser is also entitled to, and shall, rely on information provided by sources upon which members of the appraisal profession typically rely and that are deemed to be reliable by members of that profession without independent verification.

6. The Firm and the appraiser shall have no responsibility for legal matters, or questions or issues involving survey or title, soil or subsoil conditions, engineering, zoning, buildability, environmental contamination, structural matters, construction defects, material or methodology, or other similar technical matters with regarding the Property. Furthermore, the appraisal will not constitute a survey of the Property.

7. The appraisal and the data and information gathered in its preparation (other than the confidential data and information provided by Client) is and will remain, the property of the Firm. The Firm shall not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished by Client to the Firm. Notwithstanding the foregoing, the Firm and the appraiser are authorized by Client to disclose all or any portion of the appraisal and appraisal report and the related data and information, including confidential data and information provided by Client, to appropriate representatives of the Appraisal Institute if such disclosure is required to comply with the Standards, Bylaws and Regulations of the Appraisal Institute, as well as, such disclosure as required by law and regulations, including compliance with a subpoena and licensing authority regulatory inquiries. The Firm is also authorized to include both confidential and non-confidential data assembled in the course of preparing the appraisal and which may be incorporated into the appraisal report in a database controlled by the Firm for the aggregation of such data and information to produce analytics and other metrics or products.

8. Unless specifically noted in the appraisal report, the appraisal will not take into consideration the possibility or probability of the existence of asbestos, PCB transformers, other toxic, hazardous, or contaminated substances

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and/or underground storage tanks (hazardous material) at on or in the Property, or the cost of encapsulation, removal or remediation thereof.

9. Client shall indemnify, defend (by counsel to be selected by Firm), protect, and hold Firm and Firm's appraisers, agents, employees, affiliates, representatives, successors and assigns (each, a "**Firm Party**"), free and harmless from any and all claims, liabilities, losses, penalties, fines, forfeitures, amounts paid in settlement, judgments, and all reasonable attorneys' fees and related litigation costs, fees and expenses incurred by the any of such indemnitees, which result from (i) any failure by Client or Client's agents or representatives to provide Firm with complete and accurate information regarding the Property; (ii) any material breach by Client of the provisions of the Agreement; (iii) if delivery of the appraisal to a third party is permitted by the Firm, Client providing an incomplete copy of the appraisal to such third party; or (iv) arising from Client or Client's agents or representatives providing a copy of the appraisal to a party not authorized by the Firm to receive such copy.

10. In preparing the appraisal, it is possible that the appraiser will discover conflicting information. In that event, appraiser will utilize information and data considered to be the most authoritative and for critical information will document the source. Information and data referred to may include, but is not limited to, legal descriptions; physical street addresses; assessor parcel numbers; property history; dimensions and areas of the site/land; dimensions and areas of the building improvements; physical unit counts; rent rolls; leases; lease abstracts; income and expense data; and any other related data. Any material discrepancy and/or error in any of the above data could have a substantial impact on the conclusions reported, and the Firm therefore reserves the right to amend conclusions reported if the Firm is made aware of any such discrepancy and/or error.

11. The appraisal may not be used, included or referenced, in whole or in part, in any offering or other materials without the prior written consent of the Firm, which consent may be conditioned upon the receipt by the Firm of an indemnity agreement, in form and content, satisfactory to Firm and provided by an indemnitor satisfactory to Firm. Client agrees to pay the fees of the Firm's legal counsel for review of any materials which is the subject of the requested consent. Except as agreed by the Firm expressly in writing, the Firm disclaims liability to any party other than Client.

12. The Firm shall not provide a copy of the appraisal to, or disclose the results of the appraisal to, any party other than Client, unless Client authorizes same, except as provided in the Confidentiality Section of the ETHICS RULE of the Uniform Standards of Professional Appraisal Practice (USPAP) or as otherwise required by law or regulations.

13. Client and any other identified Intended User should consider the appraisal as only one factor together with its own independent considerations and underwriting guidelines in making any decision or investment or taking any action regarding the Property. Client agrees that Firm shall not be responsible in any way for any decision of Client or any Intended User related to the Property or for the advice or services provided by any other advisors or contractors.

14. Unless otherwise stated in this Agreement, Client agrees that the services pursuant to this Agreement shall not include participation in or preparation for, or attendance at, any legal, judicial, administrative, or arbitration proceeding relating to this assignment. In the event the Firm or any Firm Party is required, whether through the service of a subpoena or otherwise, to produce documents or participate in or prepare for any discovery, testimony or attendance, relating to the appraisal or this assignment, where the Firm or Firm Party is not a party to the action or proceedings involved, Client agrees to reimburse expenses incurred by the Firm or Firm Party, including attorney's fees, in responding to such subpoena or other legal process and compensate the Firm therefor based upon the appraiser's prevailing hourly or daily rate for providing services as an expert consultant or witness.

15. **LIMITATION ON LIABILITY** NEITHER PARTY'S AGGREGATE LIABILITY RELATED TO THIS AGREEMENT (WHETHER UNDER CONTRACT, TORT OR OTHERWISE) WILL EXCEED THE AMOUNT OF FEES PAID FOR THE APPRAISAL ASSIGNMENT, AND NEITHER PARTY WILL BE LIABLE FOR ANY CONSEQUENTIAL,

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SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE OR EXEMPLARY DAMAGES RELATED TO THIS AGREEMENT (WHETHER UNDER CONTRACT, TORT OR OTHERWISE).

16. **WAIVER OF CONSEQUENTIAL DAMAGES** IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, LOST PROFITS, LOSS OF REVENUE, LOSS OF USE OR INTERRUPTION OF BUSINESS) ARISING OUT OF OR RELATED TO THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

17. Except as expressly provided herein, Firm makes no representations or warranties to Client or to any other person or entity with respect to the appraisal and the services to be provided by Firm under this Agreement. To the maximum extent permitted under applicable law, in no event will the Firm or any Firm Party be liable to Client or any third party (regardless of whether such party's claimed use or reliance on the appraisal was authorized by the Firm or a Firm Party) for any claimed damages exceeding the damages in Paragraph 15. Legal claims or causes of action relating to the appraisal are not assignable, except: (i) as the result of a merger, consolidation, sale or purchase of a legal entity, (ii) with regard to the collection of a bona fide existing debt for services but then only to the extent of the total compensation for the appraisal plus reasonable interest, or (iii) in the case of an appraisal performed in connection with the origination of a mortgage loan, as part of the transfer or sale of the mortgage before an event of default on the mortgage or note or its legal equivalent.

18. Federal banking regulations require banks and other lending institutions to engage appraisers where FIRREA compliant appraisals must be used in connection with mortgage loans or other transactions involving federally regulated lending institutions. In view of that requirement, the appraisal may not be accepted by a federally regulated financial institution.

19. In the event Client fails to make payments of any fees or sums when due and payable under this Agreement; then from the date due and payable until paid, the amount due and payable shall bear interest at the maximum rate permitted under the laws of the state in which the Property is located. If the Firm is required to undertake collection efforts including institution of legal action against Client relating to the Agreement, the Firm shall be entitled to recover attorney's fees, litigation expenses, and costs from Client.

20. To the extent permitted under applicable law, any legal action or lawsuit or other proceeding by Client or any Intended User of the appraisal against Firm or a Firm Party whether based in contract, tort, warranty, indemnity or otherwise, relating to the appraisal shall be commenced within two (2) years from the date of delivery of the appraisal to the claimant in such action or proceeding, unless the applicable law provides for a shorter period, and any such claimant waives the right to a jury in any such legal action or lawsuit or other proceeding. Notwithstanding the state of domicile or residency of either party to this Agreement, this Agreement shall be governed and construed under the laws of the state in which the Property is located, and venue for any action or proceeding arising out of this Agreement shall be deemed proper only in the court of competent jurisdiction located in the state in which the Property is located.

21. Throughout the performance of services under this Agreement, the Firm shall maintain at its sole cost and expense the following insurance:

    (a) Workers' Compensation, so as to provide statutory benefits as required by the laws of each state within the United States in which the Firm's services are being provided, and Employer's Liability insurance with limits of liability of $1,000,000 each accident, $1,000,000 disease each employee and $1,000,000 disease policy limit covering all employees of the Firm engaged in the performance of such services.

    (b) Fidelity insurance or bond with a limit of $1,000,000 to insure the Firm against loss of its or Client's assets caused from the dishonest acts of the Firm's employees.

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(c) Professional Liability insurance with a limit of liability of $1,000,000 each claim and $1,000,000 aggregate, which limits may be provided by a combination of primary and excess policies.

(d) Commercial General Liability insurance providing coverage against damages due to bodily injury (including death), property damage and personal and advertising injury arising in connection with the Firm's services provided under this Agreement, which insurance coverage shall: (i) be occurrence-based; (ii) provide limits of liability in an amount of $2,000,000 each occurrence and $5,000,000 aggregate (including excess and/or umbrella limits), (iii) include at least those coverages generally included in the most current ISO Commercial General Liability insurance policy form (or its equivalent); and (iv) include Client, and such other persons or entities as Client has identified in writing, as additional insureds solely with regard to claims arising out of this Agreement.

(e) Commercial automobile liability for owned, hired and non-owned motor vehicles, with a $1,000,000 combined single limit.

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Schedule “B”

PROPERTY INFORMATION LIST

ATTACHED TO AND A PART OF THE AGREEMENT DATED MAY 29, 2025 TO PROVIDE APPRAISAL SERVICES FOR STIFEL, NICOLAUS & COMPANY, INCORPORATED

The following information is requested to be delivered to the Firm so we can provide the proposed services and prepare the Appraisal within the agreed upon time frame. Please forward the physical data such as the site plan, previous engineering reports and/or property reports describing the physical attributes of the Property and all financial information such as rent roll and income and expense statements first as these items are the most time sensitive and should be received immediately to meet the time requirements of this assignment. If, at this time, you are certain you will not be providing any specific items noted below, please cross out the item and mark “NA” next to the item so that we will be notified that the information is not available and will not be forthcoming.

1. **Please indicate whether Newmark is sales broker, leasing broker, mortgage broker or property manager for the subject property**.
2. Site plan, if available. (Preferably, an AS BUILT PLAN showing an outline of building/s drawn to scale. Please do not send reductions so original scale may be used for measurement purposes.
3. Building plans, if available.
4. Prior engineering report or physical descriptions from prior appraisals or asset management report, if available.
5. Leasing brochures and/or other marketing materials, if available.
6. If the Property has been offered for sale within the last two years, a copy of the offering memorandum or investment book.
7. Past feasibility or market studies and economic impact studies as well as any relevant information collected from third party sources.
8. Agreements of Sale/Options to Buy (current or during last three years), if any.
9. Income and expense statements for the past three years plus year-to-date income and expense statements.
10. Operating budget for current and next year, if available.
11. Current property insurance binder or last property insurance billing statement.
12. Management contracts.
13. Copy of most recent real estate tax bill. Please advise if there has been a notice or inquiry by either the County Assessment Board or the School Board regarding the property assessment. Is there any pending litigation or negotiations with these parties that could result in an assessment increase or decrease?
14. Title report, Legal Description, or copy of deed. Provide a written statement of five-year history of legal property owner. Please advise, if there any deed restrictions or encumbrances, easements or cross easements.
15. Personal property inventory, if available.
16. Occupancy rates for the last three years, if not revealed in the financial statements.
17. Ground leases, if any.

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18. Approximate actual construction costs, if built during the past three years.
19. Environmental audits and studies disclosing any wetlands, hazardous wastes or other environmental conditions such as asbestos or radon.
20. List of any known major repairs and improvements needed.
21. Three-year history of capital improvements.
22. Name of contact person for the on-site physical inspection.

FOR APARTMENT PROPERTY

23. Unit mix showing rentable area and asking rent by unit type
24. Scaled apartment unit plans showing layouts and measurements so that rentable area can be confirmed, if available.
25. Rent roll showing tenant name, apartment number, dates of leases and the type of apartment, asking/market rents for each apartment, and contractual rent for each apartment unit. (It would be greatly appreciated if you can provide the rent roll in Excel.)
26. Terms of leases and/rent roll for leased commercial space or roof top rentals. Copies of commercial leases are desirable. If any commercial leases provide for pass through of operating expenses over a base year stop, please provide the dollar amount of the base year stop.

FOR INDUSTRIAL, OFFICE, RETAIL PROPERTY

27. Rent Roll (please sign and date) and copies of leases, including addenda and all amendments. Please indicate which leases may have early termination provisions, expansion and/or purchase options. Please identify any tenants who have initiated discussions to renew, terminate or renegotiate/modify their lease(s), or who have given notice to terminate. Proposed terms for such re-negotiations should be revealed.
28. Provide letters of intent to lease or other any outstanding lease proposals that have a reasonable likelihood of being finalized into executed leases.
29. Prior Argus files, if any.
30. List of outstanding leasing commissions brokers and terms of future payments.
31. Financial information such as Annual Statements or credit report/ratings on any major tenant in the building.
32. CAM and real estate tax reimbursement worksheets or listing of base year operating expenses, if applicable.
33. Three-year history of tenant retail sales, if available.

FOR LODGING PROPERTY

34. Terms of leases if any and/rent roll for leased commercial space or roof top rentals.
35. ADR and Occupancy rates for the last three years, if not revealed in the financial statements.
36. Business Plan and Marketing Strategy, if any for the upcoming fiscal year.
37. Terms of franchise agreement and management agreement, if any.

For Residential Subdivision Property

38. Building plans for the proposed single family, townhouse, age-restricted, and condominium residences. Please do not send reductions so original scale may be used for measurement purposes.

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39. Market Surveys and Feasibility Analyses, if any, for the proposed development program.

40. Marketing materials for the proposed single family, townhouse, age-restricted, and condominium residences.

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APPENDIX B

FINANCIAL FEASIBILITY STUDY

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Alpha Lifestyle Partners, Inc.
Obligated Group

Financial Feasibility Study

For the Three Months Ending December 31, 2025 and Each of the Four Years Ending December 31, 2029

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Alpha Lifestyle Partners, Inc.
Obligated Group

Financial Feasibility Study

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INDEPENDENT ACCOUNTANT'S EXAMINATION REPORT

Board of Directors
Alpha Lifestyle Partners, Inc.
Denver, Colorado

We have prepared a financial feasibility study of the plans of Alpha Lifestyle Partners, Inc. (the "Corporation" or the "Borrower") to purchase, own and operate three existing senior housing facilities in Florida, and Louisiana (collectively, the "Communities" or the "Portfolio"), totaling 182 units and 190 operating beds. Upon acquisition of the Communities, the member entities of the Communities are to become members ("Members") of a newly created "Obligated Group". On the closing date, the Corporation is to be the sole member of each of the Members and is to serve as the "Obligated Group Representative" under the terms of the proposed bond documents.

The affairs of the Corporation are governed by a board of directors (the "Board") of not less than three members. Management of the Corporation plans to retain the existing third party operating managers of the Communities: DR Management Services, LLC and Integral Senior Living Management LLC (collectively, the "Operating Managers"). Additionally, management of the Corporation plans to enter into an asset management agreement with Trinity SL Asset Manager LLC (the "Asset Manager"), an affiliate of the seller, to assist in ongoing and operational matters of the Corporation. Management of the Corporation, the Board, the Operating Manager and the Asset Manager are collectively referred to as "Management".

The feasibility study was undertaken to evaluate the Corporation's ability to meet its operating expenses, working capital needs, and other financial requirements, including the debt service requirements associated with the proposed issuance of a senior series and a subordinate series of bonds in the aggregate principal amount of $65,425,000 (the "Series 2025 Bonds"), with a portion assumed to be issued at an original issue discount.

The Corporation's underwriter, Stifel, Nicolaus & Company, Incorporated (the "Underwriter"), has provided the assumed structure and terms for the Series 2025 Bonds as follows:

- $61,125,000 Capital Trust Authority Senior Living Facilities Senior Lien Revenue Bonds (Alpha Lifestyle Partners Inc. Project), Series 2025A (the "Series 2025A Bonds" or "Senior Bonds"); and
- $4,300,000 Capital Trust Authority Senior Living Facilities Junior Lien Revenue Bonds (Alpha Lifestyle Partners Inc. Project), Series 2025B (the "Series 2025B Bonds").

The responsibility for the payment of debt service on the Series 2025 Bonds is solely that of the Corporation. The proceeds from the sale of the Series 2025 Bonds and a seller contribution are assumed to be used as follows:

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- To pay all acquisition costs of the Communities;
- To fund a debt service reserve fund for the Series 2025A Bonds;
- Funded interest on the Series 2025A Bonds; and
- To fund working capital for start-up transition costs and operating expenses; and
- To pay costs associated with the issuance of the Series 2025 Bonds.

Our procedures included analysis of:

- The Corporation's objectives, timing, and financing;
- The Communities' history;
- Future demand for the Communities' services, including consideration of the following:
  - Socioeconomic and demographic characteristics of the Communities' defined market areas;
  - Locations, capacities and competitive information pertaining to other existing and planned facilities in each market area; and
  - Forecasted occupancy and utilization levels of the Communities.
- Acquisition costs of the Communities, debt service requirements and estimated financing costs;
- Staffing requirements, salaries and wages, related fringe benefits and other operating expenses;
- Anticipated monthly fees for each resident of the Communities;
- Sources of other operating and non-operating revenues; and
- Revenue/expense/volume relationships.

The accompanying financial forecast for the three months ending December 31, 2025, and for each of the four years ending December 31, 2029 is based on assumptions that were provided by, or reviewed with and approved by, Management. The financial forecast includes the following financial statements and the related summary of significant forecast assumptions and rationale:

- Forecasted Combined Statements of Operations and Changes in Net Deficits;
- Forecasted Combined Statements of Cash Flows; and
- Forecasted Combined Balance Sheets.

In addition, Management has presented a Schedule of Forecasted Financial Ratios.

We have examined the accompanying financial forecast based on the guidelines for the presentation of a forecast established by the American Institute of Certified Public Accountants ("AICPA"). Management is responsible for preparing and presenting the forecast in accordance with the guidelines for the presentation of a forecast established by the AICPA. Our responsibility is to express an opinion on the forecast based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the forecast is presented in accordance with the guidelines for the presentation of the forecast established by the AICPA, in all material respects. An examination involves performing procedures to obtain evidence about the forecast. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of

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material misstatement of the forecast, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.
We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Legislation and regulations at all levels of government have affected and may continue to affect the operations of retirement communities. The financial forecast is based upon legislation and regulations currently in effect. If future legislation or regulations related to the Corporation's operations are subsequently enacted, such legislation or regulations could have a material effect on future operations.

Management's financial forecast is based on the achievement and maintenance of occupancy levels and re-occupancy of units vacated by residents. We have not been engaged to evaluate the effectiveness of Management, and we are not responsible for future marketing efforts and other Management actions upon which actual results will depend.

The assumed interest rates, principal payments, and other financing assumptions are described in the section entitled "Summary of Significant Forecast Assumptions and Rationale." If actual interest rates or principal payments are different from those assumed in this study, the amount of the Series 2025 Bonds and associated debt service requirements would need to be adjusted from those indicated in the forecast. If such interest rates and principal payments are lower than those assumed, such adjustments would not adversely affect Management's forecast.

Our conclusions are presented below:

- In our opinion, the accompanying financial forecast is presented in all material respects, in accordance with guidelines for presentation of a financial forecast established by the AICPA.
- In our opinion, the underlying assumptions are suitably supported and provide a reasonable basis for Management's forecast. However, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.
- The accompanying financial forecast indicates that sufficient funds could be generated to meet the Corporation's operating expenses, working capital needs, and other financial requirements, including the debt service requirements associated with the proposed Series 2025 Bonds, during the forecast period. However, the achievement of any financial forecast is dependent upon future events, the occurrence of which cannot be assured.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Forvis Mazars, LLP

Atlanta, Georgia
August 28, 2025

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Alpha Lifestyle Partners, Inc.
Obligated Group
Forecasted Combined Statements of Operations and Changes in Net Assets (Deficit)
For the Three Months Ending December 31, 2025 and
For Each of the Four Years Ending December 31, 2029
(In Thousands)

	2025	2026	2027	2028	2029
Revenues:					
Assisted living	$ 846	$ 3,582	$ 3,672	$ 3,763	$ 3,857
Memory care	2,210	9,570	9,809	10,054	10,305
Care revenue	187	766	785	804	824
Community fee	73	238	244	250	257
Concessions	(15)	(62)	(63)	(65)	(66)
Miscellaneous income	29	114	116	119	122
Investment income	60	273	279	285	291
Total revenues	3,390	14,481	14,842	15,210	15,590
Expenses:					
Salaries & benefits	1,296	5,545	5,683	5,825	5,971
Marketing	152	662	679	695	713
General and administrative	231	970	993	1,016	1,040
Dietary	147	598	613	628	644
Housekeeping	14	55	56	58	59
Activities	17	62	64	65	67
Repairs and maintenance	60	251	257	263	270
Utilities	98	411	421	432	442
Property insurance	130	595	610	626	641
Real estate taxes	94	-	-	-	-
Operating Management Fee	167	710	728	746	765
Subordinate Asset Management Fee	36	156	161	167	172
Issuer / Trustee annual fees	11	44	45	46	47
Interest expense:					
Series 2025A Bonds	1,010	3,953	3,953	3,953	3,953
Series 2025B Bonds	93	366	366	366	366
Amortization of original issue discount	17	66	66	66	66
Amortization of deferred financing costs	23	92	92	92	92
Amortization of intangibles	113	450	450	450	450
Depreciation	427	1,715	1,754	1,794	1,849
Total expenses	4,136	16,701	16,991	17,288	17,607
Revenues over (under) expenses	(746)	(2,220)	(2,149)	(2,078)	(2,017)
Other income:					
Contribution from Seller	1,487	-	-	-	-
Change in net assets (deficit)	741	(2,220)	(2,149)	(2,078)	(2,017)
Net assets (deficit) at beginning of year	-	741	(1,479)	(3,628)	(5,706)
Net assets (deficit) at the end of year	$ 741	$ (1,479)	$ (3,628)	$ (5,706)	$ (7,723)

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See accompanying Summary of Significant Forecast Assumptions and Rationale and Independent Accountants' Examination Report

Alpha Lifestyle Partners, Inc.
Obligated Group
Forecasted Combined Statements of Cash Flows
For the Three Months Ending December 31, 2025 and
For Each of the Four Years Ending December 31, 2029
(In Thousands)

	2025	2026	2027	2028	2029
Cash flows from operating activities:					
Change in net assets (deficit)	$ 741	$ (2,220)	$ (2,149)	$ (2,078)	$ (2,017)
Adjustments to reconcile change in net assets (deficit)					
to net cash provided by (used in) operating activities:					
Amortization of deferred financing costs	23	92	92	92	92
Amortization of original issue discount	17	66	66	66	66
Amortization of intangibles	113	450	450	450	450
Depreciation	427	1,715	1,754	1,794	1,849
Net change in current assets and liabilities	183	220	9	10	11
Accrued Subordinate Asset Management Fee, net of payments	36	120	5	6	5
Accrued interest- Series 2025A Bonds	1,010	967	-	-	(2)
Accrued interest- Series 2025B Bonds	93	366	366	366	366
Net cash provided by operating activities	2,643	1,776	593	706	820
Cash flows from investing activities:					
Acquisition costs	(55,400)	-	-	-	-
Routine capital additions	(94)	(375)	(400)	(425)	(450)
Net cash used in investing activities	(55,494)	(375)	(400)	(425)	(450)
Cash flows from financing activities:					
Deferred financing costs	(2,934)	-	-	-	-
Proceeds from Series 2025A Bonds	61,125	-	-	-	-
Proceeds from Series 2025B Bonds	4,300	-	-	-	-
Original issue discount	(1,655)	-	-	-	-
Principal payments - Series 2025A Bonds	-	-	-	-	-
Principal payments - Series 2025B Bonds	-	-	-	-	-
Net cash provided by (used in) financing activities	60,836	-	-	-	-
Change in cash, cash equivalents, and restricted cash	7,985	1,401	193	281	370
Cash, cash equivalents, and restricted cash, beginning of year	-	7,985	9,386	9,579	9,860
Cash, cash equivalents, and restricted cash, end of year	$ 7,985	$ 9,386	$ 9,579	$ 9,860	$ 10,230
Reconciliation of cash, cash equivalents, and restricted cash:					
Cash and cash equivalents *(of the Operating Account)*	$ 834	$ 1,073	$ 1,104	$ 1,136	$ 1,168
Senior Lien Obligations Fund	315	1,517	1,802	1,977	2,020
Debt Service Reserve Fund - Series 2025A Bonds	4,578	4,578	4,578	4,578	4,578
Operating Reserve Fund	1,473	1,473	1,473	1,473	1,473
Repair and Replacement Fund	54	54	54	54	54
Subordinate Management Fees Fund	36	156	161	167	172
Funded Interest Fund	695	460	175	-	-
Surplus Fund	-	75	232	475	765
Total cash, cash equivalents, and restricted cash	$ 7,985	$ 9,386	$ 9,579	$ 9,860	$ 10,230

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See accompanying Summary of Significant Forecast Assumptions and Rationale and Independent Accountants' Examination Report

Alpha Lifestyle Partners, Inc.
Obligated Group
Forecasted Combined Balance Sheets
As of December 31,
(In Thousands)

Assets	**2025**	**2026**	**2027**	**2028**	**2029**
Current assets:					
Cash and cash equivalents *(of the Operating Account)*	$ 834	$ 1,073	$ 1,104	$ 1,136	$ 1,168
Accounts receivable	167	389	399	409	419
Inventory	25	55	56	58	59
Prepaid expenses	86	193	198	203	208
Current portion of assets limited as to use	315	1,517	1,802	1,977	2,020
Total current assets	1,427	3,227	3,559	3,783	3,874
Assets limited as to use:					
Debt Service Reserve Fund - Series 2025A Bonds	4,578	4,578	4,578	4,578	4,578
Senior Lien Obligations Fund	315	1,517	1,802	1,977	2,020
Operating Reserve Fund	1,473	1,473	1,473	1,473	1,473
Repair and Replacement Fund	54	54	54	54	54
Subordinate Management Fees Fund	36	156	161	167	172
Funded Interest Fund - Series 2025A Bonds	695	460	175	-	-
Surplus Fund	-	75	232	475	765
Total assets limited as to use	7,151	8,313	8,475	8,724	9,062
Less: current portion	(315)	(1,517)	(1,802)	(1,977)	(2,020)
Total assets limited as to use, net	6,836	6,796	6,673	6,747	7,042
Property and equipment	50,994	51,369	51,769	52,194	52,644
Less: accumulated depreciation	(427)	(2,142)	(3,896)	(5,690)	(7,539)
Property and equipment, net	50,567	49,227	47,873	46,504	45,105
Intangible assets	4,387	3,937	3,487	3,037	2,587
Total assets	$ 63,217	$ 63,187	$ 61,592	$ 60,071	$ 58,608
Liabilities and Net Assets (Deficit)					
Current liabilities:					
Accounts payable	$ 370	$ 827	$ 847	$ 869	$ 890
Accrued expenses	91	213	218	223	229
Accrued Subordinate Asset Manager Fee	36	156	161	167	172
Accrued interest - Series 2025 Bonds	1,010	1,977	1,977	1,977	1,975
Current portion of long-term debt - Series 2025A Bonds	-	-	-	-	45
Current portion of long-term debt - Series 2025B Bonds	-	-	-	-	-
Total current liabilities	1,507	3,173	3,203	3,236	3,311
Long-term debt:					
Series 2025A Bonds, net of current portion	61,125	61,125	61,125	61,125	61,080
Series 2025B Bonds	4,300	4,300	4,300	4,300	4,300
Accrued Interest on Series 2025B Bonds	93	459	825	1,191	1,557
Original issue discount	(1,638)	(1,572)	(1,506)	(1,440)	(1,374)
Deferred financing costs	(2,911)	(2,819)	(2,727)	(2,635)	(2,543)
Total long-term debt, net	60,969	61,493	62,017	62,541	63,020
Total liabilities	62,476	64,666	65,220	65,777	66,331
Net assets (deficit)	741	(1,479)	(3,628)	(5,706)	(7,723)
Total liabilities and net assets (deficit)	$ 63,217	$ 63,187	$ 61,592	$ 60,071	$ 58,608

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See accompanying Summary of Significant Forecast Assumptions and Rationale and Independent Accountants' Examination Report

Alpha Lifestyle Partners, Inc.
Obligated Group
Schedule of Forecasted Financial Ratios
For the Years Ending December 31
(In Thousands, Except for Ratios)

Debt Service Coverage Ratio - Series 2025A Bonds	**2025**	**2026**	**2027**	**2028**	**2029**
Change in net assets (deficit)	$ (746)	$ (2,220)	$ (2,149)	$ (2,078)	$ (2,017)
Add:					
Interest expense - Series 2025A Bonds	1,010	3,953	3,953	3,953	3,953
Interest expense - Series 2025B Bonds	93	366	366	366	366
Amortization of original issue discount	17	66	66	66	66
Amortization of deferred financing costs	23	92	92	92	92
Amortization of intangibles	113	450	450	450	450
Depreciation	427	1,715	1,754	1,794	1,849
Subordinate Asset Manager Fee [(1)]	36	156	161	167	172
Income Available for Debt Service	$ 973	$ 4,578	$ 4,693	$ 4,810	$ 4,931
Debt Service Requirement [(2)(3)]	$ 1,010	$ 3,953	$ 3,953	$ 3,953	$ 3,998
Less: Funded Interest	(235)	(285)	(175)	-	-
Debt Service Requirement, net [(2)(3)]	$ 775	$ 3,668	$ 3,778	$ 3,953	$ 3,998
Debt Service Coverage Ratio - Series 2025A Bonds (ADS)	**1.26 x**	**1.25 x**	**1.24 x**	**1.22 x**	**1.23 x**

Days' Cash on Hand	**2025**	**2026**	**2027**	**2028**	**2029**
Cash and Investments					
Cash and cash equivalents *(of the Operating Account)*	$ 834	$ 1,073	$ 1,104	$ 1,136	$ 1,168
Operating Reserve Fund	1,473	1,473	1,473	1,473	1,473
Repair and Replacement Fund	54	54	54	54	54
Subordinate Management Fees Fund	36	156	161	167	172
Surplus Fund	-	75	232	475	765
Total Cash and Investments	$ 2,397	$ 2,831	$ 3,024	$ 3,305	$ 3,632
Total expenses	$ 4,136	$ 16,701	$ 16,991	$ 17,288	$ 17,607
Deduct:					
Subordinate Asset Manager Fee [(1)]	(36)	(156)	(161)	(167)	(172)
Interest Expense - Series 2025B Bonds [(3)]	(93)	(366)	(366)	(366)	(366)
Amortization of original issue discount	(17)	(66)	(66)	(66)	(66)
Amortization of deferred financing costs	(23)	(92)	(92)	(92)	(92)
Amortization of intangibles	(113)	(450)	(450)	(450)	(450)
Depreciation	(427)	(1,715)	(1,754)	(1,794)	(1,849)
Expenses, net	$ 3,427	$ 13,856	$ 14,102	$ 14,353	$ 14,612
Daily operating expenses [(4)]	$ 38	$ 38	$ 39	$ 39	$ 40
Days' Cash on Hand	**64**	**75**	**78**	**84**	**91**

(1) The Subordinate Asset Manager Fee is subordinate to the payment of the Series 2025A Bonds and is assumed to be deferred annually with the payment released in the following fiscal year, subject to Management meeting certain requirements under the Series 2025 Bond documents.

(2) The Debt Service Coverage Ratio as calculated with the Series 2025A Bonds Annual Debt Service is equal to the greatest debt service requirement in the then current year as defined in the Series 2025 bond documents, less funded interest.

(3) The Series 2025B Bonds are not assumed to be paid during the forecast period, with the first debt service payment assumed to be outside the forecast period.

(4) Daily operating expenses is equal to total operating expenses less depreciation and amortization expense divided by 365 days (approximately 91 days for fiscal year 2025).

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See accompanying Summary of Significant Forecast Assumptions and Rationale and Independent Accountants' Examination Report

Alpha Lifestyle Partners, Inc.
Obligated Group

Summary of Significant Forecast Assumptions and Rationale

Basis of Presentation

The accompanying financial forecast presents, to the best of the knowledge and belief of the management of Alpha Lifestyle Partners, Inc. (the "Corporation" or the "Borrower"); DR Management Services, LLC and Integral Senior Living Management LCC (collectively, the "Operating Managers"); and Trinity SL Asset Manager LLC (the "Asset Manager"), the expected financial position, results of operations, and cash flows for the three months ending December 31, 2025, and each of the four years ending December 31, 2029. Accordingly, the financial forecast reflects the judgement of management of the Corporation, management of the Operating Managers and management of the Asset Manager (collectively, "Management"), as of August 28, 2025, the date of this forecast, of the expected conditions and its expected course of action during the forecast period.

The assumptions disclosed herein are those that Management believes are significant to the financial forecast. Differences will usually occur between the forecasted and actual results because events and circumstances frequently do not occur as expected and those differences may be material. In addition, the validity of the financial forecast may decrease in proportion to the time elapsed since its determination. Subsequent events and circumstances may differ from those assumed as of the date of this forecast. Accordingly, the financial forecast should be evaluated in light of such changes.

Background and Overview

The Corporation

The Corporation is a Delaware nonstock corporation, formed on March 6, 2024, for the charitable purpose of facilitating and providing housing to senior citizens in independent living, assisted living and memory care arrangements. The Corporation is an organization described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), exempt from federal income tax under Section 501(a) of the Code. The Corporation is not a "private foundation" as defined in Section 509(a) of the Code. The affairs of the Corporation are governed by a board of directors (the "Board"). The Board must have no fewer than three members with the total number determined from time to time by action of the Board. Directors of the Board ("Director") serve three-year terms, with no Director permitted to serve more than three consecutive full three year terms. Currently, the Board consists of four directors.

The Corporation plans to purchase, own, and operate, directly or indirectly through a Member of the Obligated Group (defined below), three senior living communities across two states including Florida and Louisiana (each, a "Community" and collectively, the "Communities") totaling 182 units and 190 operating beds consisting of 66 assisted living units (66 operating beds) (the "Assisted Living Units" or "AL Units") and 116 memory care units (124 operating beds) (the "Memory Care Units" or "MC Units").

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The Corporation will serve as the Obligated Group Representative under the terms of the Master Indenture (defined herein). Following the completion of the Asset Acquisitions (described below) the following entities will be members of the Obligated Group created under the Master Indenture (each is a "Member" of the Obligated Group and, collectively, with the Corporation, the "Obligated Group"):

- Alpha Lifestyle Partners, Inc. (the Corporation or the Borrower)
- Alpha Lifestyle Partners Florida, Inc. ("ALP Florida")
- ALP Naples, LLC ("ALP Naples")
- ALP Venice, LLC ("ALP Venice")
- ALP Covington, LLC ("ALP Covington")

Each of the Communities is being acquired by the Obligated Group from affiliates of Trinity Investors, LLC ("Trinity" or the "Sellers"), a private equity firm based in Southlake, Texas. To assist the Obligated Group in the ongoing operation and management of the Communities, Trinity SL Asset Manager LLC, a Texas limited liability company, an affiliate of Trinity, will also serve as the Asset Manager for the Obligated Group following the Asset Acquisitions.

The Corporation does not intend to acquire any substantial assets or engage in any substantial business activities other than those related to the acquisition, ownership and operation of the Communities and prospective future activities that are within the exempt purpose of the Corporation, including, but not limited to, the acquisition, ownership, and operation of additional senior living communities. The Corporation and the other Members of the Obligated Group are the only entities obligated to pay debt service on the Series 2025 Bonds (hereinafter defined). Neither the Operating Managers nor the Asset Manager are obligated to pay debt service on the Series 2025 Bonds.

The Board and Related Party Transactions

The Corporation is governed and controlled by the Board and its officers. Each of the initial Board members have varying levels of conflicts of interest in terms of the involvement with or relations to the Sellers/Trinity and the Asset Manager; however, each member of the Board has acknowledged they are in compliance with the Corporation's conflicts of interest policy requirements as set forth in the Corporation's by-laws and would continue to be in compliance going forward. Trinity is a related party to the transaction.

Acquisition Communities

Three Communities are to be acquired by the Obligated Group through the acquisition of the Community assets (the "Asset Acquisitions") as follows:

<u>Asset Acquisitions</u>

- The Fairways at Naples in Naples, Florida (the "Naples Community");
- Liana of Venice in Venice, Florida (the "Venice Community"); and
- Sage Lake Senior Living of Covington in Covington, Louisiana ("Sage Lake Community").

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The following table summarizes the year opened and the number of units/beds operated for each of the Communities.

Table 1
The Communities

Community	Year Opened[1]	Unit Configuration		Total Units	Total Beds in Operation	Licensed Bed Capacity
		AL Units	MC Units			
Naples Community	2021	–	50	50	54	54
Venice Community	2018	–	50	50	54	54
Sage Lake Community	2019	66	16	82	82	120
Total [2]		**66**	**116**	**182**	**190**	**228**

Source: Management
(1) Year opened refers to the year the Community began taking residents.
(2) Average total bed occupancy for the month of July 2025 was 92.1 percent (or approximately 175 average occupied beds based on 190 available beds).

The following map depicts the locations of the Communities.

Legend

1 – Naples Community 2 – Venice Community 3 – Sage Lake Community

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Managers of the Communities

Operating Managers

The Operating Managers currently manage each Community and are to continue managing the Communities following the issuance of the Series 2025 Bonds and the closing of the acquisition transactions. Each Operating Manager agrees to retain substantially all of its current employees working at the Communities as of the Closing Date. The Operating Managers specialize in providing management and certain consulting services related to senior living facilities.

DR Management Services, LLC ("DR Management")

DR Management is the property manager of the Naples Community and the Venice Community. DR Management is an affiliate of Distinctive Living, L.L.C, an operator and developer of senior living properties with 41 facilities under management. Based in Freehold, New Jersey, Distinctive Living operates independent living, assisted living, and memory care properties across eight states.

Integral Senior Living Management LLC ("ISL")

ISL is the property manager for the Sage Lake Community. ISL, based in Carlsbad, California, operates over 100 independent living, assisted living, and memory care communities across 25 states.

Asset Manager

Trinity SL Asset Manager LLC (the Asset Manager)

The Asset Manager, a Texas limited liability company, is a newly created limited liability company for the sole purpose of performing asset management of the Communities. The Asset Manager is an affiliate of Trinity, a private equity firm based in Southlake, Texas, which is affiliated with the Sellers.

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Summary of Significant Agreements

Purchase and Sale Agreement

The Communities will be acquired by the Corporation, directly or indirectly through a Member of the Obligated Group, on the date of issuance of the Series 2025 Bonds, as defined herein, with proceeds of the Series 2025 Bonds from the owners of the real and personal property comprising the Communities (the "Seller"), each pursuant to a separate asset purchase and sale agreement (the "Purchase Agreements"), as amended from time to time, for a total purchase price of $55,400,000 subject to customary closing adjustments.

Management of the Communities

Each current owner of the Communities have previously entered into separate management agreements (each, a "Management Agreement") with the third party Operating Managers identified in the table below, pursuant to which the Operating Manager manages the operations of the applicable Community, including the employment of required employees, the engagement and management of third party service providers and provision of operational and financial reporting related to such Community. As part of the Asset Acquisitions for the Venice Community and Naples Community, each owner is to assign the existing Management Agreement to the related Member of the Obligated Group and the related Operating Manager is to consent to such assignment.

In connection with the acquisition of the Sage Lake Community, the Corporation will enter into a new Management Agreement with the current Operating Manager of the Community. Each Operating Manager for the Venice Community and Naples Community will continue to be bound under the terms of the Management Agreement with the current owner that is becoming a part of the Obligated Group.

Each Operating Manager is to be responsible for, among other things, the following: (i) hiring, supervising and compensating employees; (ii) establishing employee benefits; (iii) implementing and operating the accounting system, including billing and collection, accounts payable, payroll, and monthly and quarterly accounting reports; (iv) preparing operating and capital budgets and cash flow projections; (v) depositing all required funds from operations of the related Communities in the Revenue Fund held by the Trustee under the Master Indenture (as such terms are defined in the Series 2025 Bond documents); (vi) preparing fee and rate schedules; (vii) supervising and conducting a facility maintenance program; (viii) purchasing supplies; (ix) administering and scheduling of all the related Community's services; (x) operating the dining and dietary services; (xi) administering the residency agreements (as described herein); (xii) administering the related Community's non-residential lease agreements; (xiii) obtaining and maintaining required insurance policies; (xiv) administering service contracts; (xv) making recommendations for capital improvements; (xvi) implementing and supervising an activities, wellness and social services program; (xvii) overseeing any environmental issues; (xviii) maintain insurance on the related Community; and (xix) marketing units that are unoccupied, including advertising, selection of media and production of brochures, in accordance with the Community's operating budget.

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The following table summarizes each Community's Operating Manager and Management Agreement terms:

Table 2
Summary of Operating Manager Terms

Naples Community and Venice Community:	
Operating Manager	DR Management Services, LLC
Management Fee	A monthly fee equal to 5.0 percent of monthly gross revenues
Current Term Expiration	April 1, 2029
Renewal Provisions	Automatic extension for successive one-year periods if neither party provides notice at least 60 days prior to then current expiration date

Sage Lake Community [(1)]:	
Operating Manager	Integral Senior Living Management, LLC
Management Fee	A monthly fee equal to 5.0 percent of monthly gross revenues
Current Term Expiration	July 1, 2026
Renewal Provisions	Automatic extension for successive one-year periods if neither party provides notice at least 60 days prior to then current expiration date

Source: Management

(1) The Corporation will enter into a replacement Management Agreement with the current Operating Manager in connection with the acquisition transaction to be effective on the closing date and is expected to have an initial 5-year term with the same renewal term provisions.

As described above, compensation for providing services under each Management Agreement the Operating Manager will receive a monthly fee equal to 5.0 percent of monthly gross revenues (the "Management Fee"). In addition to the Management Fee, the Obligated Group is to reimburse the Operating Manager for actual out-of-pocket expense incurred, provided they are considered reasonably incurred in the performance of their duties.

Asset Management Agreement and NFP Management Agreement

The Corporation will pay an ongoing asset management fee determined under the terms of the Asset Management Agreement (described below) and the owner of each Community will pay an ongoing management fee determined under the terms of the NFP Management Agreement (described below). The total fees owed under the Asset Management Agreement and the NFP Management Agreement are not to exceed 1.50 percent of the gross revenues each year.

Asset Management Agreement

The Corporation plans to engage the Asset Manager through an asset management agreement upon closing of the Series 2025 Bonds (the "Asset Management Agreement") under which the Asset Manager will provide certain asset management services to the Corporation to include, among others, inspecting each Community from time to time, assisting with regulatory compliance matters, reviewing insurance and risk management matters, consulting and advising on accounting and tax return matters, monitoring revenues received and expenses incurred in connection with the

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operation of each Community, assisting the Corporation with bond covenant and disclosure requirements and providing guidance, certifications and other matters as required by the Master Indenture. The initial term of the Asset Management Agreement begins upon closing of the Series 2025 Bonds and ends on the date of the disposition of all of the Communities, unless sooner terminated by either party.

In consideration of the performance of Asset Manager's services under Asset Management Agreement, the Corporation shall pay to the Asset Manager an annual asset management fee (the "Asset Management Fee") equal to 75 percent of the sum of (i) the product of (A) 1.50 percent, multiplied by (B) the Gross Revenues (as defined in the Series 2025 Bonds documents) received by the Corporation (or any affiliate thereof) from the Communities during the applicable fiscal year, less (ii) the Senior NFP Management Fee (as described below). The Asset Management Fee shall be payable solely from funds on deposit in the Subordinated Management Fees Fund to be established pursuant to the Master Indenture.

NFP Management Agreement

The Corporation plans to enter into a Not-For-Profit Management Agreement (the "NFP Management Agreement") with each Obligated Group Member owning a Community pursuant to which the Corporation will provide certain administrative services for each Community owner. The administrative services include, among others, maintaining each owner's financial books and records, managing business and resident relationships, preparing and assisting in the preparation of each owner's financial and board reports, and coordinating all other reporting and other obligations of the owner as a Member of the Obligated Group. The term of this NFP Management Agreement begins on closing of the Series 2025 Bonds and will continue until terminated as permitted herein.

As compensation for service rendered, each Community owner is to pay a NFP management fee, comprised of two components: (1) the "Senior NFP Management Fee", and (2) the "Subordinate NFP Management Fee" (collectively the "NFP Management Fee"). The Senior NFP Management is equal to (a) the number of assisted living units and memory care beds available at each Facility subject to the Master Indenture, multiplied by (b) Three Hundred and 00/100 Dollars ($300.00). The Subordinate NFP Management Fee is an additional amount equal to 25 percent of the sum of (a) 1.50 percent of the gross revenues received by the Corporation (or its affiliate) from the Communities, less (b) the Senior NFP Management Fee. Each Obligated Group Member will be responsible for paying its allocable portion of the NFP Management Fee.

The NFP Management Fee, and all material intercompany accounts and transactions have been eliminated in the combined forecasted financial statements.

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Summary of Financing

Total financial requirements for the acquisition are assumed to be approximately $65,257,000. The Corporation plans to fund these financial requirements primarily through the proposed senior debt issuance of tax-exempt $61,125,000 Capital Trust Authority Senior Living Facilities Senior Lien Revenue Bonds (Alpha Lifestyle Partners, Inc. Project), Series 2025A (the "Series 2025A Bonds" or "Senior Bonds") and subordinate tax-exempt $4,300,000 Capital Trust Authority Senior Living Facilities Junior Lien Revenue Bonds (Alpha Lifestyle Partners, Inc. Project), Series 2025B, (the "Series 2025B Bonds" or "Subordinate Bonds," and together with the Series 2025A Bonds, the "Series 2025 Bonds"), assumed to be issued at discount and a Seller contribution. Management has assumed the following sources and uses of funds in preparing the financial forecast based upon information provided by the Corporation's underwriter, Stifel, Nicolaus & Company, Incorporated (the "Underwriter").

Table 3
Sources and Uses of Funds
(In Thousands)

Sources of Funds:	
Series 2025 Bonds [(1)]	
Series 2025A Bonds	$61,125
Series 2025B Bonds	4,300
Total Series 2025 Bonds	65,425
Original Issue Discount – Series 2025A Bonds	(1,655)
Total Series 2025 Bonds, net	63,770
Seller [(2)]	1,487
Total Sources of Funds	**$65,257**
Uses of Funds:	
Acquisition cost [(3)]	$55,400
Funded Interest Fund [(4)]	695
Operating Fund [(5)]	1,650
Debt Service Reserve Funds [(6)]	4,578
Cost of issuance and other costs [(7)]	2,934
Total Uses of Funds	**$65,257**

Source: Management and the Underwriter

(1) Approximately $61,125,000 of Series 2025A Bonds are to be issued at an original issue discount of approximately $1,655,000, with proceeds assumed to fund a portion of the acquisition of the Communities. Approximately $4,300,000 of Series 2025B Bonds are expected to be issued to fund the balance of the acquisition of the Communities.
(2) The Seller is expected to provide approximately $1,487,000 towards cost of issuance.
(3) Acquisition cost for the Communities is based on the Purchase Agreements.
(4) The Underwriter has estimated $695,000 from proceeds of the Series 2025A Bonds to be used to fund interest on the Series 2025A Bonds in various increments on January 1, 2026, July 1, 2026 and January 1, 2027.
(5) An initial deposit into the Operating Fund to provide working capital for start-up transition costs related to the acquisition of the Communities.
(6) A deposit to the Series 2025A Debt Service Reserve Fund is assumed to total approximately $4,578,000, sized to the Series 2025A Bonds average annual debt service payments, net of the ballon payment at maturity.
(7) Costs of issuance related to the Series 2025 Bonds include Underwriter fees, accounting fees, legal fees, bond issuance fees, costs for the printing of the preliminary and final limited offering memorandum, and other miscellaneous financing costs.

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Regulatory Environment

Florida

Assisted living facilities in Florida are licensed under Chapter 429, Part I, of the Florida Statutes and Florida Administrative Code Chapter 59A–36. Florida Agency for Health Care Administration (FAHCA") licenses and regulates assisted living facilities. Assisted living facilities are defined as "any building or buildings, section or distinct part of a building, private home, boarding home, home for the age, or other residential facility, regardless of whether operated for profit, which through its ownership and management provides housing, meals, and one or more personal services for a period exceeding 24 hours to one or more adults who are not relatives or the owner or administrator."

A certificate of need is not required in order to license and operate assisted living facilities in Florida. Assisted living facility licenses are not transferable. FAHCA must be notified 60 days prior to an ownership change and follow the established procedures during the transition period in order to be eligible for a new license.

Assisted living facilities must be initially licensed as a standard "Assisted Living Facility" and may further obtain a specialty license to provide Limited Nursing Services ("LNS"), Extended Congregate Care ("ECC") or Limited Mental Health ("LMH") services. LNS providers are able to provide routine nursing services, such as the care of dressings, casts, braces and splints, as long as such services are not complex enough to require 24-hour nursing supervision. Facilities licensed as ECC providers can provide residents with personal care, administration of medications, assistance with activities of daily living and limited nursing care. ECC providers may provide total assistance with up to three activities of daily living. ECC providers enable residents to age in place in a residential environment despite mental or physical limitations, which creates a higher level of care, and therefore, requires an additional license for these services. A LMH specialty license allows facilities to serve low income, chronically mentally ill residents.

Assisted living facilities providing memory care services in Florida do not require a special licensure. Based on licensure, the Memory Care Units in Florida are defined under the general term "assisted living."

Louisiana

Assisted living facilities in Louisiana are licensed and regulated by the Louisiana Department of Health and Hospital ("LDHH") under the Louisiana Administrative Code (the "Code"), Title 48, Chapter 88. Under Section 6805 of the Code, adult residential care facilities are to be licensed annually by the Department.

Louisiana defines an adult residential care facility as, "A facility, agency, institution, society, corporation, partnership, company, entity, residence, person or persons, or any other group that provides adult residential care for compensation to two or more adults who are unrelated to the licensee or operator. Adult residential care includes but is not limited to the following services: lodging, meals, medication administration, intermittent nursing services, assistance with personal hygiene, assistance with transfers and ambulation, assistance with dressing, housekeeping, and laundry."

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There are four classifications for adult residential care facilities in Louisiana as follows:

(1) Level 1: Personal care homes – Personal care homes are defined as, "An adult residential care facility that provides room and board and personal services for compensation, to two, but not more than eight residents in a congregate living and dining setting."

(2) Level 2: Shelter care homes – Shelter care homes are defined as, "An adult residential care facility that provides room, board, and personal services, for compensation, to nine or more residents in a congregate living and dining setting."

(3) Level 3: Assisted living facilities – Assisted living facilities are defined as, "An adult residential care facility that provides room, board and personal services, for compensation, to two or more residents that reside in individual living units which contain a minimum of one room with a kitchenette and private bathroom." The Community is licensed as an assisted living facility.

(4) Level 4: Adult residential care providers – Adult residential care providers are facilities that provide the following services: lodging, meals, medication administration, and assistance with activities of daily living including ambulation, dressing, housekeeping and laundry.

Facilities that provide specialized memory support or dementia care services in an assisted living environment are generally licensed as a Level 3 or Level 4 adult residential care provider.

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Description of the Residency Agreements

Residents (the "Resident") in the Communities are required to sign a residency agreement (the "Residency Agreement") prior to assuming occupancy of an assisted living unit or memory care unit. Residents moving into the assisted living unit and memory care unit pay a non-refundable community fee ranging from $3,000 to $3,500 depending on the Community as well as an ongoing monthly fee. The Residency Agreement may be terminated by providing thirty days' notice.

The Resident may receive services from outside providers as long as the outside provider is properly licensed and certified under the law. In order to use outside providers, the Resident must notify the community prior to the engagement.

Payment of the basic Monthly Fee entitles the Resident to occupy the respective unit and receive the following basic services and amenities:

- Three meals per day, plus snacks;
- Weekly housekeeping;
- Weekly laundering of flat linens (twice per week at DR Management communities);
- Laundering of personal items limited to one to two loads per week depending on Community;
- All utilities, except telephone and expanded cable television services;
- Scheduled local transportation;
- 24-hour on-site supervision;
- Maintenance of grounds and buildings;
- Social, educational, cultural, recreational and spiritual activities; and
- Use of the common spaces.

The Resident will be assessed upon admission by a health assessment (the "Health Assessment") conducted by a physician and/or the Community staff. The Communities provide the following additional personal care services to Residents based on the results of the Health Assessment, which includes the following:

- Supervision or assistance with bathing/showering and dressing/grooming;
- Escorts to meals and activities;
- Additional housekeeping and personal laundry service;
- Assistance with toileting, skin care, cognition, transfers, mobility;
- Medication management; and,
- Assistance in meeting routine/incidental medical and dental needs, including arranging transportation, if necessary, to medical or dental appointments, diabetic care, coordination of hospice care, and incontinence care management.

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Additional Level of Care Fees

DR Management Communities

Monthly fees at the Naples Community and the Venice Community are all-inclusive of care.

ISL Community

Sage Lake Community charges a care fee of $2,000 for the assisted living units. The monthly fee for the memory support units is all-inclusive of care.

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Definition of Primary Market Areas

The primary market area ("PMA") for providers of senior living services is typically defined as the geographic area from which a majority of prospective residents reside prior to assuming occupancy at a community. In general, seniors requiring health care such as personal care and memory care services generally originate from within the local area because of the more immediate, need-driven nature of the services.

Based on discussions with Management, existing senior living providers in the area and experience with similar communities, the PMAs have been defined as follows:

- The PMA for the Naples Community is a five-mile radius surrounding the community ("Naples PMA");
- The PMA for the Venice Community is a five-mile radius surrounding the community ("Venice PMA"); and
- The PMA for the Sage Lake Community is a five-mile radius surrounding the community ("Covington PMA");

The Naples PMA, Venice PMA and Covington PMA are collectively referred to as the "PMAs".

Demographics and Unemployment Trends

Demographic Characteristics

The age distribution of the population in a geographic area is a key factor in the determination of an area's retirement housing needs. Claritas, Inc., a firm that specializes in the analysis of demographic data, has extrapolated population data from the 2020 U.S. Census, the American Community Survey and other sources to derive the estimated 2025 figures and forecasted statistics for 2030. The following table presents population age 65 to 74, age 75 to 84 and age 85 and above and the anticipated average annual compounded growth rates for the period between 2025 and 2030 in the PMAs, Florida, Louisiana and the United States.

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Table 4
Historical, Estimated and Projected Populations – PMAs

	2020 Population (Census)	2025 Population (Estimated)	2030 Population (Projected)	Compounded Annual Percentage Change 2020 – 2025	Compounded Annual Percentage Change 2025 – 2030
Naples PMA					
Total Population	141,124	148,253	153,469	1.0%	0.7%
Age 65 to 74 Population	24,169	24,098	26,100	-0.1%	1.6%
Age 75 to 84 Population	17,964	21,855	25,686	4.0%	3.3%
Age 85 Plus Population	6,709	9,523	10,318	7.3%	1.6%
Total 65 Plus	48,842	55,476	62,104	2.6%	2.3%
Total 75 Plus	24,673	31,378	36,004	4.9%	2.8%
Venice PMA					
Total Population	87,754	99,103	106,741	2.5%	1.5%
Age 65 to 74 Population	23,520	26,484	30,904	2.4%	3.1%
Age 75 to 84 Population	15,883	19,907	24,005	4.6%	3.8%
Age 85 Plus Population	5,968	7,888	8,854	5.7%	2.3%
Total 65 Plus	45,371	54,279	63,763	3.7%	3.3%
Total 75 Plus	21,851	27,795	32,859	4.9%	3.4%
Covington PMA					
Total Population	86,036	91,731	97,326	1.3%	1.2%
Age 65 to 74 Population	10,112	11,070	11,805	1.8%	1.3%
Age 75 to 84 Population	4,727	6,322	8,287	6.0%	5.6%
Age 85 Plus Population	1,944	2,120	2,727	1.8%	5.2%
Total 65 Plus	16,783	19,512	22,819	3.1%	3.2%
Total 75 Plus	6,671	8,442	11,014	4.8%	5.5%

Source: Claritas, Inc.

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Table 5
Historical, Estimated and Projected Populations
Florida, Louisiana and the United States

	2020 Population (Census)	2025 Population (Estimated)	2030 Population (Projected)	Compounded Annual Percentage Change 2020 – 2025	Compounded Annual Percentage Change 2025 – 2030
Florida					
Total Population	21,538,187	23,198,593	24,583,453	1.5%	1.2%
Age 65 to 74 Population	2,588,006	2,844,478	3,235,999	1.9%	2.6%
Age 75 to 84 Population	1,443,832	1,819,260	2,269,808	4.7%	4.5%
Age 85 Plus Population	536,188	651,856	754,915	4.0%	3.0%
Total 65 Plus	4,568,026	5,315,594	6,260,722	3.1%	3.3%
Total 75 Plus	1,980,020	2,471,116	3,024,723	4.5%	4.1%
Louisiana					
Total Population	4,657,757	4,549,263	4,511,122	-0.5%	-0.2%
Age 65 to 74 Population	466,635	485,800	495,345	0.8%	0.4%
Age 75 to 84 Population	218,360	258,347	314,523	3.4%	4.0%
Age 85 Plus Population	78,148	83,215	96,060	1.3%	2.9%
Total 65 Plus	763,143	827,362	905,928	1.6%	1.8%
Total 75 Plus	296,508	341,562	410,583	2.9%	3.7%
United States					
Total Population	331,449,281	337,643,652	345,735,705	0.4%	0.5%
Age 65 to 74 Population	33,111,965	35,941,819	39,083,228	1.7%	1.7%
Age 75 to 84 Population	16,344,101	19,860,686	24,602,812	4.0%	4.4%
Age 85 Plus Population	6,336,435	6,873,552	7,920,690	1.6%	2.9%
Total 65 Plus	55,792,501	62,676,057	71,606,730	2.4%	2.7%
Total 75 Plus	22,680,536	26,734,238	32,523,502	3.3%	4.0%

Source: Claritas, Inc.

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The following tables present the percentage of total population by age group for the targeted age population in the PMAs, Florida, Louisiana and the United States.

Table 6
Percentage of Total Population by Age Cohort

Age Groupings	65 plus	75 plus	85 plus
2025 (Estimated)			
Naples PMA	37.4%	21.2%	6.4%
Venice PMA	54.8%	28.0%	8.0%
Covington PMA	21.3%	9.2%	2.3%
Florida	22.9%	10.7%	2.8%
Louisiana	18.2%	7.5%	1.8%
United States	18.6%	7.9%	2.0%
2030 (Projected)			
Naples PMA	40.5%	23.5%	6.7%
Venice PMA	59.7%	30.8%	8.3%
Covington PMA	23.4%	11.3%	2.8%
Florida	25.5%	12.3%	3.1%
Louisiana	20.1%	9.1%	2.1%
United States	20.7%	9.4%	2.3%

Source: Claritas, Inc.

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Household Income

The following table presents median household income of ages 65 to 74, ages 75 to 84, and ages 85 plus headed households in 2025 (estimated) and 2030 (projected) for the PMAs.

Table 7
Estimated and Projected Median Household Income in the PMAs

Age Groupings	2025 Estimations	2030 Projections
Naples PMA		
Age 65 to 74	$103,765	$115,698
Age 75 to 84	$80,591	$91,723
Age 85 and above	$60,133	$69,338
All Ages	$83,409	$92,396
Venice PMA		
Age 65 to 74	$88,313	$100,251
Age 75 to 84	$67,781	$77,065
Age 85 and above	$50,076	$57,502
All Ages	$81,291	$91,051
Covington PMA		
Age 65 to 74	$68,128	$74,354
Age 75 to 84	$49,451	$56,033
Age 85 and above	$39,780	$42,280
All Ages	$85,088	$90,545

Source: Claritas, Inc.

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Unemployment Trends

The unemployment trends for the applicable city or county (as described below), Florida, Louisiana and the United States are shown in the following table.

Table 8
Unemployment Trends[(1)]

	2022	2023	2024
Naples, Florida[(2)]	2.9%	2.9%	3.3%
Venice, Florida[(1)]	4.3%	4.2%	5.0%
Covington, Louisiana[(2)]	2.9%	3.3%	3.9%
Florida	3.0%	2.9%	3.3%
Louisiana	3.7%	3.7%	4.2%
United States	3.7%	3.6%	4.0%

Source: U.S. Department of Labor, Bureau of Labor Statistics Data

(1) Unemployment rates reflect the city.

(2) Unemployment rates reflect Collier County for Naples, Florida and for St. Tammany Parish for Covington, Louisiana. City-level data is not available for Naples and Covington.

The Market Areas

Comparable communities were identified by Management as communities that have historically been competitors of the Communities and include providers primarily offering assisted living and/or memory care services. Additional providers may be located near the Communities which serve the senior population; however, they are not considered primary competition by Management.

Information on planned communities, if any, within the immediate market area is also described.

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Naples Community

The Naples Community is located in Naples, Collier County, Florida at 3053 Airport-Pulling Road North on approximately 8.9 acres of land. The Naples Community, which opened in 2021, includes 50 memory care units, (with a capacity for 54 licensed beds) in a one-story building with connecting hallways that travel around three courtyards and central common areas. The Naples Community is approximately 37,000 square feet.

The following table summarizes the type, number, approximate square footage and monthly fees for the units at the Naples Community.

Table 9
The Naples Community Configuration

Unit Type	Number of Units	Number of Beds in Operation	Square Footage	Monthly Fees[(1)(2)(3)(4)]
Majestic Suite (Shared Bath)	12	12	400	$6,300
Prestige Suite (Small Studio)	6	6	206	$6,700
Imperial Suite (Large Studio)	2	2	415	$7,600
Stuart Suite (Standard Studio)	26	26	226	$6,900
Monarch Suite (Companion Suite)	4	8	395	$8,000
Total Units / Wtd Avg	**50**	**54**	**286**	**$6,848**

Source: Management
(1) Monthly fees are effective as of January 2025.
(2) Residents are required to pay a one-time, non-refundable community fee of $3,000.
(3) Enhanced care is available for $1,000 per month.
(4) The second person monthly fee is $2,500.

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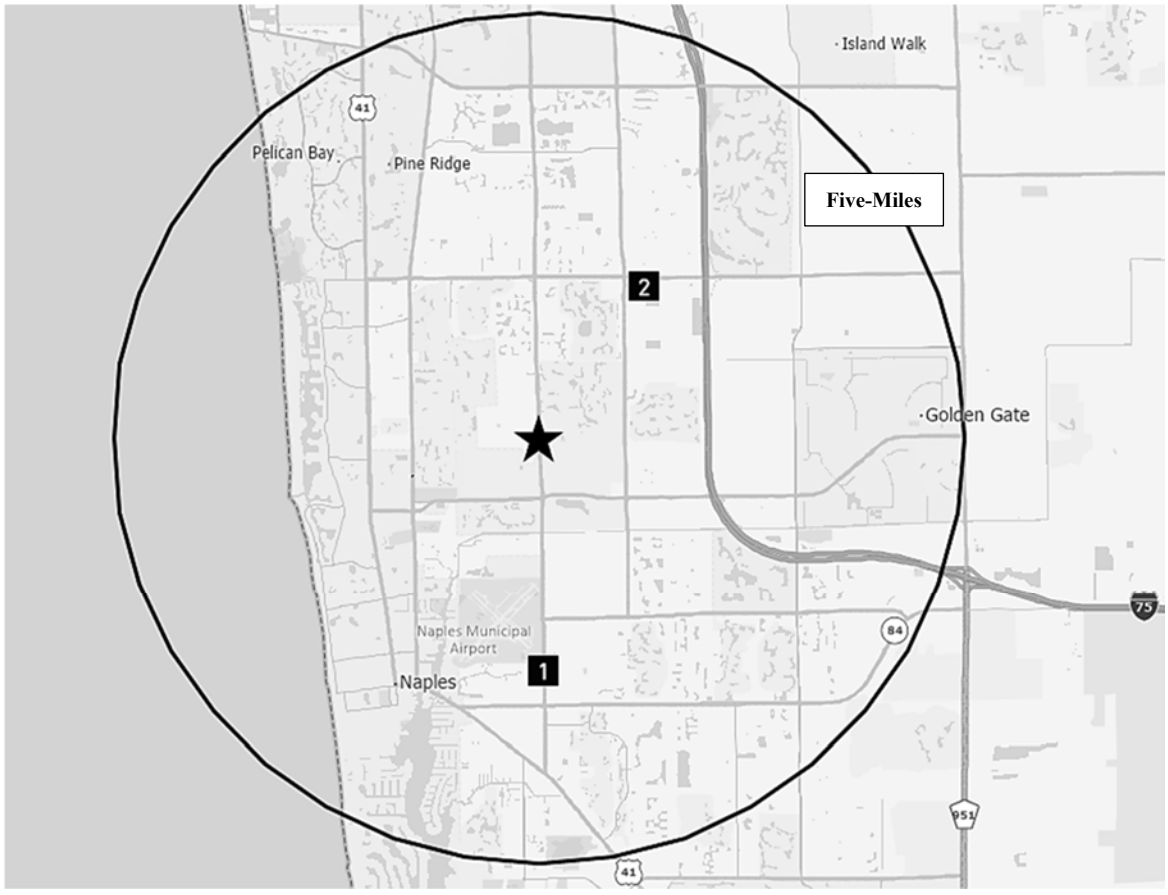
General Area Analysis

The Naples Community is bordered by residential areas to the north and west, commercial buildings to the south and Airport-Pulling Road to the east. Located on Florida's southwest coast, Naples is known for its high-end shopping on Fifth Avenue South and Third Street South, with several art galleries, clothing boutiques and home décor shops. Physician's Regional Hospital - Pine Ridge is located approximately five miles northeast of the Naples Community.

The Naples Community is approximately two miles east of the Gulf, five miles northeast of downtown Naples and 40 miles south of Fort Myers.

Comparable Communities

The map shows the location of the Naples Community, along with assisted living and memory care competitors identified by Management, as profiled in the following table, with a five-mile radius provided for reference.



Legend

★ Naples Community

Comparable Communities near the Naples Community

1 – Beach House

2 – Seascape at Naples

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The following table shows the Naples Community and primary competitors identified by Management.

Table 10
Naples Community and Comparable Communities

Community	Naples Community	Beach House	Seascape at Naples
City/Zip Code	Naples, FL 34105	Naples, FL 34104	Naples, FL 34109
Driving miles from Naples Community	–	2.8	3.5
Owner/Sponsor/Manager	Corporation/DR Management	Grace Management, Inc	Retirement Unlimited, Inc.
For Profit/Non-Profit	Non-Profit	For-Profit	For-Profit
Year Opened	2021	2016	2019
Levels of Care			
AL Units	–	81	78
MC Units	54	32	59
Occupancy Rate			
AL Units	–	98%	96%
MC Units	85%	99%	95%
Assisted Living			
Square footage	–	365 – 893	362 – 876
Monthly Fee	–	$3,965 – 5,995	$4,300 – 7,000
Additional Care	–	$645 – 3,665	$700 – 3,200
Second Person Fee	–	$1,500	$1,700
Memory Care			
Square footage	206 –415	336	359
Monthly Fee	$6,300 – 8,000 [(a)]	$6,610	$6,085 – 7,445
Additional Care	$1,000	$645 – 3,665	All-Inclusive
Community Fee	$3,000	$3,500	$4,300

Source: Management and surveys conducted by Forvis Mazars through March 2025. Occupancy for the Naples Community was 85.2 percent as of July 2025.

Naples Community
(a) The second person monthly fee is $2,500.

Planned Communities within a Five-Mile Radius of the Naples Community

Based on discussions with representatives of local planning and permitting agencies, as of March 2025 no new assisted living and/or memory care communities have been identified within a five-mile radius of the Naples Community.

One assisted living/memory care community near the five-mile radius PMA opened in July 2025. **The Gallery at Hacienda Lakes** is located at 8480 Rattlesnake Hammock Road in Naples approximately 10 driving miles southeast of the Naples Community. The Gallery at Hacienda Lakes consists of 181 independent living units (104 one-bedroom apartments and 77 two-bedroom apartments) and 50 assisted living and memory care units.

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Venice Community

The Venice Community is located in Venice, Sarasota County, Florida at 2321 East Venice Avenue on approximately 2.9 acres of land. The Venice Community, which opened in late2017 and began taking residents in 2018, includes 50 memory care units, (with a capacity for 54 licensed beds) in a one-story building with connecting hallways that travel around three courtyards and central common areas. The Venice Community is approximately 38,000 square feet.

The following table summarizes the type, number, approximate square footage and monthly fees for the units at the Venice Community.

Table 11
Venice Community Configuration

Unit Type	Number of Units	Number of Beds in Operation	Square Footage	Monthly Fees[(1)(2)(3)(4)]
Majestic Suite (Shared Bath)	12	12	400	$6,500
Prestige Suite (Small Studio)	6	6	206	$6,700
Imperial Suite (Large Studio)	2	2	415	$7,500
Stuart Suite (Standard Studio)	26	26	226	$7,000
Monarch Suite (Companion Suite)	4	8	395	$10,000
Total Units / Wtd Avg	**50**	**54**	**286**	**$7,104**

Source: Management
(1) Monthly fees are effective as of January 2025.
(2) Residents are required to pay a one-time, non-refundable community fee of $3,000.
(3) Enhanced care is available for $1,000 per month.
(4) The second person monthly fee is $2,500.

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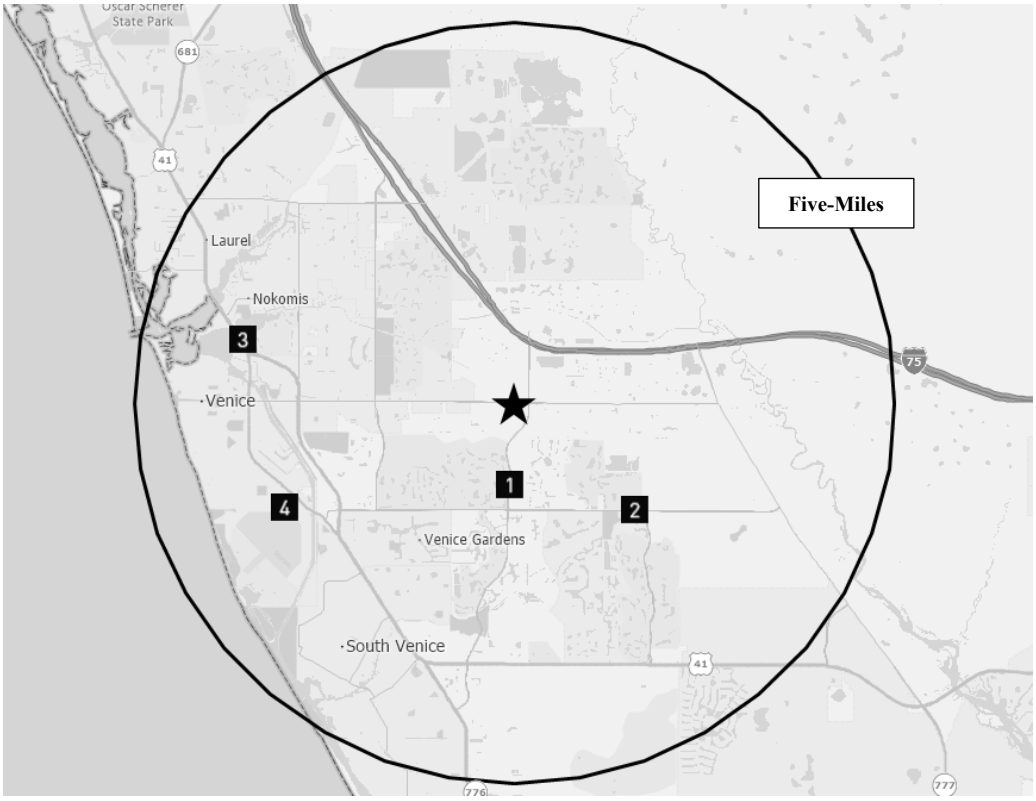
General Area Analysis

The Venice Community is bordered by East Venice Avenue to the north, residential housing to the south, a shopping center to the east and green space to the west. Located on Florida's southwest coast, Venice offers 14 miles of beaches, the 700 foot Venice Fishing Pier and the Venetian Waterway Park Trail as well as dining, shopping, museums, arts and entertainment in the Venice Historic District. Sarasota Memorial Hospital - Venice is located approximately five miles northwest of the Venice Community.

The Venice Community is approximately five miles east of downtown Venice and the Gulf and approximately 25 miles southeast of Sarasota, Florida.

Comparable Communities

The map shows the location of the Venice Community, along with assisted living and memory care competitors identified by Management, as profiled in the following table, with a five-mile radius provided for reference.



Legend

★ Venice Community

Comparable Communities near the Venice Community

1 – Venice Palms Senior Living
2 – The Windsor of Venice
3 – Tuscan Gardens of Venetia Bay
4 – Maris Pointe

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The following table shows the Venice Community and primary competitors identified by Management.

Table 12
Venice Community and Comparable Communities

Community	Venice Community	Venice Palms Senior Living	The Windsor of Venice	Tuscan Gardens of Venetia Bay	Maris Pointe
City/Zip Code	Venice, FL 34292	Venice, FL 34292	Venice, FL 34292	Venice, FL 34285	Venice, FL 34285
Driving miles from Venice Community	–	1.3	3.5	4.3	5.1
Owner/Sponsor/Manager	Corporation/DR Management	TJM Properties	Legend Senior Living	Senior Management Advisors	Eagle Senior Living
For Profit/Non-Profit	Non-Profit	For-Profit	For-Profit	For-Profit	For-Profit
Year Opened	2018	1999	2009	2016	2000
Levels of Care					
AL Units	–	27	70	80	–
MC Units	50 (54)	26	14	39	42
Occupancy Rate					
AL Units (Beds)	–	98%	97%	96%	–
MC Units (Beds)	87%	75%	100%	85%	88%
Assisted Living					
Square footage	–	300 – 500	370 – 678	306 – 841	–
Monthly Fee	–	$3,050 – 4,000	$5,735 – 8,534	$3,695 –6,395	–
Additional Care	–	$550	$560 – 1,770	$500 – 2,000	–
Second Person Fee	–	$1,500	$1,250	$1,500	$2,395
Memory Care					
Square footage	206 – 415	300	280 – 340	306	288 – 442
Monthly Fee	$6,500 – 10,000 [(a)]	$4,500	$8,395 – 8,535	$4,195	$6,495 –8,650
Additional Care	$1,000	$750	$560 – 1,770	$2,000 – 2,800	All-Inclusive
Community Fee	$3,000	$2,500	$3,000	$3,000	$3,000

Source: Management and surveys conducted by Forvis Mazars through March 2025. Occupancy for the Venice Community was 94.4 percent as of July 2025.

Venice Community
(a) The second person monthly fee is $2,500.

Planned Communities within a Five-Mile Radius of the Venice Community

Based on discussions with representatives of local planning and permitting agencies, as of March 2025 one new assisted living and/or memory care community have been identified within a five-mile radius of the Venice Community.

Aravilla of Osprey is a planned assisted living and memory care community to be located on an approximate 10-acre site at 1035 Old Venice Road in Osprey, approximately 10 miles northwest of the Venice Community. Aravilla of Osprey is expected to consist of 83 assisted living units and 44 memory care units. Amenities are to include multiple dining facilities, piano bar, group exercise rooms, art rooms, classrooms, pool, dog park, pickleball courts and a community building. Aravilla of Osprey is planned to open in 2026. Aravilla of Osprey would be one of four Aravilla locations in Florida.

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Sage Lake Community

The Sage Lake Community is located in Covington, St. Tammany Parish, Louisiana at 1444 Andrew Drive on approximately 6.6 acres of land. The Sage Lake Community, which opened in 2019, includes 66 assisted living units and 16 memory care units for a total of 82 units, (with a capacity for 120 licensed beds), in a one-story building with connecting hallways and a central courtyard and common areas. The Sage Lake Community is approximately 68,000 square feet.

The following table summarizes the type, number, approximate square footage and monthly fees for the units at the Sage Lake Community.

Table 13
Sage Lake Community Configuration

Unit Type	Number of Units	Number of Beds in Operation	Square Footage	Monthly Fees (1)(2)(3)(4)(5)(6)
Assisted Living				
Studio	10	10	343	$4,100
Studio Deluxe	22	22	504	$4,300
One Bedroom	22	22	485	$4,995
Two Bedroom	12	12	732 – 758	$5,395
Assisted Living Subtotal / Wtd Avg.	**66**	**66**	**515**	**$4,700**
Memory Care				
Private Studio	16	16	243	$7,300
Memory Care Subtotal / Wtd Avg.	**16**	**16**	**243**	**$7,300**
Total Units / Wtd Avg	**82**	**82**	**462**	**$5,210**

Source: Management
(1) Monthly fees are effective as of January 2025.
(2) Residents are required to pay a one-time, non-refundable community fee of $3,000.
(3) The second person monthly fee in the Assisted Living Units is $1,000.
(4) Monthly fees shown in the above table includes room, board, most utilities, scheduled transportation, maintenance and laundry. There is an additional monthly fee of $2,000 for residents who require assistance with activities of daily living.
(5) The monthly fee for the memory care units is all-inclusive.
(6) The monthly fee for medication management is $1,000.

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General Area Analysis

The Sage Lake Community is bordered by a dog park to the north and residential communities to the south, east and west. St. Tammany Parish, along with Tangipahoa and Washington Parishes, is considered part of The Northshore of Lake Pontchartrain. Downtown Covington includes the St. John District, which is on the National Register of Historic Places and offers dining, shopping, museums, arts and entertainment. The Covington trail head is the start of the Tammany Trace, an approximately 30 mile long paved trail which connects Covington with Mandeville, Abita Springs, Lacombe and Slidell. Lakeview Hospital is located approximately four miles south of the Sage Lake Community.

The Sage Lake Community is approximately four miles south of downtown Covington, 15 miles north of Lake Pontchartrain and approximately 40 miles north of New Orleans, Louisiana.

Comparable Communities

The map shows the location of Sage Lake Community, along with assisted living and memory care competitors identified by Management, as profiled in the following table, with a five-mile radius provided for reference.

Legend

★ Sage Lake Community

Comparable Communities near the Sage Lake Community

1 – St. Anthony's Gardens
2 – Brookdale Mandeville
3 – The Peristyle at Beau West
4 – Avanti Senior Living at Covington

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The following table shows the Sage Lake Community and primary competitors identified by Management.

Table 14
Sage Lake Community and Comparable Communities

Community	Sage Lake Community	St. Anthony's Gardens [(a)]	Brookdale Mandeville	The Peristyle at Beau West	Avanti Senior Living at Covington
City/Zip Code	Covington, LA 70433	Covington, LA 70433	Mandeville, LA 70471	Mandeville, LA 70471	Covington, LA 70433
Driving miles from the Sage Lake Community	–	3.6	4.7	5.6	5.9
Owner/Sponsor/Manager	Corporation/ISL	CommCare Corporation	Brookdale Senior Living	Peristyle	Avanti Senior Living
For Profit/Non-Profit	Non-Profit	Non-Profit	For-Profit	For-Profit	For-Profit
Year Opened	2018	2016	1999	2014	2017
Levels of Care					
AL Units	66	57	52	–	50
MC Units	16	36	31	46	40
Occupancy Rate					
AL Units	100%	85%	92%	–	99%
MC Units	100%	75%	65%	91%	98%
Assisted Living					
Square footage	343– 758	387 – 654	265 – 342	–	450 – 739
Monthly Fee	$4,100 – 5,395	$4,615 – 6,295	$3,440	–	$5,000 – 6,300
Additional Care	$2,000	$593 – 1,313	A la carte	–	A la carte
Second Person Fee	$1,000	$1,250	$1,550	$1,000	$1,500
Memory Care					
Square footage	243	277	184 – 342	285 – 380	400
Monthly Fee	$7,300	$5,801 – 6,484	$5,960	$5,100 – 6,100	$6,600
Additional Care	All-Inclusive	All-Inclusive	A la carte	$200 – 800	All-Inclusive
Community Fee	$3,000	$3,000	$3,500	$3,000	$3,500

Source: Management and surveys conducted by Forvis Mazars through March 2025. Occupancy for the Sage Lake Community was a combined 95.1 percent as of July 2025.

St. Anthony's Gardens
(a) In addition to the assisted living and memory care units shown, St. Anthony's Gardens offers 120 independent living units.

Planned Communities within a Five-Mile Radius of the Sage Lake Community

Based on discussions with representatives of local planning and permitting agencies, as of March 2025 no new assisted living and/or memory care communities have been identified within a five-mile radius of the Sage Lake Community.

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Summary of Significant Accounting Policies

(a) Basis of Accounting

The Corporation maintains its accounting and financial records according to the accrual basis of accounting.

(b) Principles of Combination

The combined financial statements include the accounts of the Obligated Group, consisting of the Corporation, ALP Florida, ALP Naples, ALP Venice and ALP Covington. All material intercompany accounts and transaction have been eliminated in the combined forecasted financial statements.

(c) Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(d) Cash and Cash Equivalents

The Corporation considers all cash on hand and highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents and excludes assets limited as to use from cash and cash equivalents.

(e) Restricted Cash

The Corporation has implemented FASB ASU No. 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash, which requires that the statement of cash flows explain the change during the period in the total of cash, cash equivalents and amounts generally described as restricted cash or restricted cash equivalents. Amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end of period total amounts shown on the statement of cash flows.

(f) Assets Limited as to Use

Assets limited as to use primarily include assets held by trustees under Master Indenture agreements of restricted reserve funds which have been set aside for the purpose of real estate taxes and insurance, bond principal and interest payments, project maintenance, and other required reserves. Management assumes no material changes in fair values that result in material net realized or unrealized gains or losses during the forecast period.

(g) Investments held in Surplus Fund

Investments held are reported at fair value and are included in assets limited as to use as they are considered board designated. The fair values of investments are determined based upon quoted market prices. Management has not assumed any unrealized gains or losses on investments during the forecast period.

(h) Property and Equipment

Property and equipment are recorded at cost, net of accumulated depreciation. Donated property and equipment are recorded at their estimated fair value at the date of receipt. Depreciation is computed under the straight-line method and is based on estimated useful lives

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of 30 to 40 years for buildings, 10 to 20 years for land improvements, 5 to 15 years for furniture, fixtures, and equipment, and 5 years for vehicles. The cost of maintenance and repairs is expensed as incurred.

(i) Costs of Borrowing

Net interest costs incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

(j) Intangible assets

The business enterprise value, such as marketing and management skill, an assembled workforce, working capital, trade names, franchises, patents, trademarks, contracts, leases, and operating agreements, are recorded as an intangible assets. Amortization is forecasted on a straight-line basis for all intangible assets over an estimated life of 10 years.

(k) Deferred financing costs

Costs associated with the issuance of the related financing are assumed to be capitalized and amortized over the expected life of the Series 2025 Bonds using the effective interest method.

(l) Fair value of financial instruments

The Corporation's financial instruments are cash and cash equivalents, receivables, accounts payable and approximate their fair value based on their short-term nature.

(m) Net resident service revenue

Net resident service revenues are reported at the estimated net realizable amounts from residents. Substantially all revenues are derived from private payors.

(n) Investment income

Investment income is reported as operating revenue unless restricted by donor or law. Management does not forecast any unrealized gains or losses on investments.

(o) Tax-exempt status

The Corporation is treated as a nonprofit organization exempt from federal income and excise taxes under section 501(c)(3) of the Internal Revenue Code and is classified as other than a private foundation.

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Summary of Revenue Assumptions

Net Resident Service Revenue

Net resident service revenue from residents living in the Communities is based upon the assumed occupancy and the monthly service fee, net of cost rate adjustments. It also includes community fees, second-person fees, and care revenue.

Utilization

The following table summarizes the historical and assumed utilization of the combined beds of the Communities. The Communities' average occupancy of 93.2 percent is assumed to be achieved by January 2026 and remain constant at that level throughout the remainder of the forecast period. Management assumes the portfolio average Monthly Fees to increase by approximately 6.4 percent in fiscal year 2026 and 3.0 percent in fiscal year 2027 and annually thereafter.

Table 15
Communities Utilization

Fiscal Year Ending December 31,	Historical Average Occupancy				Forecasted Average Occupancy	
	2022	2023	2024	2025 YTD [1][2]	2025[2][3]	2026-2028
By Individual Communities:						
Naples Community[4]	26.0%	42.4%	79.3%	85.7%	88.9%	90.7%
Venice Community	73.0%	86.6%	93.7%	86.8%	88.9%	90.7%
Sage Lake Community	97.0%	97.4%	93.4%	97.4%	96.3%	96.3%
Combined Communities:						
Avg. Beds Occupied	133.2	149.7	170.0	173.0	175.0	177.0
Avg. Beds Available	190.0	190.0	190.0	190.0	190.0	190.0
Total Occupancy	**70.1%**	**78.8%**	**89.5%**	**91.1%**	**92.1%**	**93.2%**

Source: Management

(1) Average total occupancy for the period January 1, 2025 through July 31, 2025.
(2) Occupancy as of July 2025 was 92.1 percent or 175 occupied units.
(3) Average total occupancy for the three months ending December 31, 2025.
(4) The Naples Community began taking residents in September 2021 and is assumed to reach a stabilized occupancy of approximately 93 percent by January 2026.

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The following table summarizes the historical and assumed utilization of the combined beds of the Communities by assisted living and memory care beds.

Table 16
Communities Utilization by Resident Type

	2021 - 2024 Utilization			2025 - 2028 Forecasted Utilization		
Fiscal Year Ending December 31,	**AL**	**MC**	**Total**	**AL**	**MC**	**Total**
By Individual Communities:						
Naples Community	- %	100.0%	100.0%	- %	100.0%	100.0%
Venice Community	- %	100.0%	100.0%	- %	100.0%	100.0%
Sage Lake Community	80.4%	19.6%	100.0%	81.0%	19.0%	100.0%
Average Utilization	**26.8%**	**73.2%**	**100.0%**	**27.0%**	**73.0%**	**100.0%**

Source: Management

The following table summarizes Management's average historical monthly occupancy (on a bed basis) for the Communities for the most recent rolling 12 months.

Table 17
Rolling Twelve-Month Occupancy – YTD
Average Monthly Occupancy – Communities

	Average Occupied Beds				
Month/Year	**Naples Community**	**Venice Community**	**Sage Lake Community**	**Total Average Occupied Beds**	**Occupancy Percentage (1)**
August 2024	41.0	53.0	77.0	171.0	90.0%
September 2024	41.0	52.0	74.0	167.0	87.9%
October 2024	44.0	51.0	80.0	175.0	92.1%
November 2024	43.0	51.0	80.0	174.0	91.6%
December 2024	43.0	51.0	80.0	174.0	91.6%
January 2025	46.0	47.0	81.0	174.0	91.6%
February 2025	45.0	47.0	82.0	174.0	91.6%
March 2025	46.0	47.0	82.0	175.0	92.1%
April 2025	46.0	45.0	79.0	170.0	89.5%
May 2025	47.0	43.0	79.0	169.0	88.9%
June 2025	48.0	48.0	78.0	174.0	91.6%
July 2025	46.0	51.0	78.0	175.0	92.1%
Average	**44.7**	**48.8**	**79.2**	**172.7**	**90.9%**

Source: Management
(1) Based on 190 available beds at the Communities.

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Community fees

Each of the Communities currently collects community fees for each new resident. The community fee charged at each of the Communities is not assumed to increase with inflation during the forecast period.

Care revenue fees

The Communities each offer additional services to residents who necessitate further assistance based on a functional assessment performed by the staff. Each of the Communities has set for various levels of assistance with corresponding monthly fees. The care fees are assumed to increase 3.0 percent annually throughout the forecast period.

Miscellaneous Income

Miscellaneous revenue includes laundry, television, medical supplies, unit restoration, beauty/barbershop, and other miscellaneous fees. Miscellaneous income is assumed to be approximately 1.5 percent of net resident service revenue throughout the forecast period.

Investment Income

Management has assumed the annual rate of return on the Corporation's cash and cash equivalents, the Surplus Fund (defined hereafter), and the Operating Fund to be approximately 2.5 percent annually throughout the forecast period. Management has assumed the annual rate of return on the Debt Service Reserve Fund to be approximately 3.5 percent annually throughout the forecast period. Management has assumed average annual rates of return of approximately 1.0 percent on the Bond Funds (defined hereafter).

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Summary of Operating Expense Assumptions

Operating expenses are estimated by Management based on historical expenses at each of the Communities along with Management's experience with the operation of similar senior housing communities.

Salaries and Benefits

Salaries and wages are based on prevailing local salary and wage rates and are assumed to increase 6.6 percent annually in fiscal year 2026 and 3.0 percent in fiscal year 2027 and annually thereafter throughout the forecast period. The cost of employee fringe benefits, consisting primarily of payroll taxes, health insurance and other costs for the Communities' employees are assumed to be approximately 20.0 percent of salaries and wages during the forecast period. The following table summarizes the assumed staffing levels for all departments.

Table 18
Schedule of Staffing Levels (FTEs)

	2025 – 2029
By Department:	
Healthcare	80.0
Dietary	11.0
Administration	7.0
Housekeeping	7.0
Activities	5.5
Maintenance	2.5
Marketing	3.0
Total FTEs	**116.0**
By Community:	
Naples Community	38.0
Venice Community	33.5
Sage Lake Community	44.5
Total FTEs	**116.0**

Source: Management

Non-salary operating expenses

Other non-salary operating expenses generally include plant operations, administrative expenses, dietary, housekeeping, and other costs, advertising, property taxes, and all Management Fees. These expenses are assumed to increase 5.9 percent annually in fiscal year 2026 and 3.0 percent in fiscal year 2027 and annually thereafter throughout the forecast period..

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Property Taxes

Upon acquisition of the Communities and satisfaction of all statutory requirements, the Corporation is to file an application for exemption from property taxes for each of the Communities, which provides for an exemption from taxation for real and tangible personal property owned by certain charitable organizations.

Management assumes to pay property taxes for the remainder of fiscal year 2025. For the purpose of the forecast, Management assumes the Communities to meet the exemption requirements beginning in fiscal year 2026 and annually thereafter. Annual property tax savings are assumed to be approximately $387,000 in fiscal year 2026 and annually thereafter for the remainder of the forecast period.

Net Operating Income Summary

The following table summarizes each Communities portfolio contribution to the net operating income ("NOI") for the Corporation during the trailing twelve months ending June 30, 2025 ("TTM"), the trailing seven months ending July 31, 2025 annualized ("TT7") and the forecast period.

Table 19
Portfolio Contribution
($ In Thousands)

By Individual Communities:	TTM 2024/2025[1]	TT7 2025[2]	Forecasted [4][5][6]				
			2025[3]	2026	2027	2028	2029
Naples Community	18.4%	21.0%	22.7%	24.6%	24.6%	24.6%	24.6%
Venice Community	27.7%	25.3%	24.4%	22.4%	22.4%	22.4%	22.4%
Sage Lake Community	53.9%	53.7%	52.9%	53.0%	53.0%	53.0%	53.0%
Total	100%	100%	100%	100%	100%	100%	100%
Total Net Operating Income	**$3,324**	**$3,668**	**$913**	**$4,305**	**$4,436**	**$4,572**	**$4,711**

Source: Management

(1) The percentage of NOI is based on the unaudited TTM for the period June 1, 2024 through July 1, 2025, as provided by the Seller.
(2) The percentage of NOI is based on the unaudited TT7 for the period January 1, 2025 through July 31, 2025, as provided by the Seller. The Seller's net operating income for the TT7 was approximately $2,140,000 and was annualized to be approximately $3,668,000.
(3) The Communities include approximately three (3) months of operations during fiscal year 2025.
(4) Forecasted total net income available for debt service less investment income equals total net operating income.
(5) Beginning in 2025, Management of the Corporation assumes additional expenses related to the acquisition, as compared to historical TTM and TT7, to include but not limited to the NFP Management Fee and the Issuer/Trustee fees (excluding the Subordinate Asset Management Fee).
(6) In 2026, Management assumes approximately $387,000 in reduced expenses from property tax exemptions and annually thereafter.

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Assets Limited as to Use

UMB Bank, N.A., as master trustee and bond trustee (the "Trustee") is assumed to maintain the following funds and under the terms of the Master Indenture and Bond Indenture.

(1) Debt Service Reserve Fund for the Series 2025A Bonds, are assumed to be available to pay debt service in the year that the Series 2025A Bonds are repaid in full.
(2) Senior Lien Obligation Fund for the Series 2025A Bonds, to contain the principal and interest payments to be used for payment of debt service on the Series 2025A Bonds.
(3) Junior Lien Obligation Fund for the Series 2025B Bonds, to contain the principal and interest payments to be used for payment of debt service on the Series 2025B Bonds.
(4) Funded Interest gross funded from the Series 2025A Bonds proceeds to be used to fund interest on the Series 2025A Bonds, associated with the Communities, with instructions for the Trustee to release a portion of the funds over three scheduled interest payment dates (January 1, 2026, July 1, 2026, and January 1, 2027).
(5) Operating Reserve Fund, is to be funded pursuant to the Master Indenture, with proceeds from the Series 2025 Bonds, to be used for start-up transition costs related to the acquisition of the Communities.
(6) Repair and Replacement Fund is assumed to be funded with cash flows from operations. Pursuant to the Master Indenture, the minimum annual contribution is equal to $300 per available unit (approximately $54,000 annually).
(7) Subordinate Management Fees Fund is assumed to be funded pursuant to the Master Indenture and released to pay subordinate Asset Management Fees.
(8) Surplus Fund, which is assumed to be funded with excess gross receipts after deposits require pursuant to the Master Indenture.

In addition, the Members of the Obligated Group plan to maintain an Operating Account to be funded pursuant to the Master Indenture, which is assumed to be initially funded with proceeds from the Series 2025 Bonds, are assumed to be used for start-up transition costs related to the acquisition of the Communities and ongoing operating expenses going forward. Management has assumed that the cash and cash equivalents is the Operating Account.

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Corporation Fair Value

The following table illustrates the assumed fair value amount based on appraisals of the Communities performed by Newmark Valuation and Advisory (the "Appraiser"), dated June 19, 2025.

Table 20
Fair Value of Acquired Property & Equipment and Intangible Assets
(In Thousands)

Purchase price[(1)]	$ 55,400
Purchase price allocation – Series 2025A Bonds	51,100
Purchase price allocation – Series 2025B Bonds	4,300
As is appraised value of assets acquired	
Property, plant & equipment	$ 50,900
Intangible assets	4,500
Total as is appraised value of assets acquired	$ 55,400

Source: Management and the Appraiser

(1) The appraised portfolio as-is amount of the Communities combined purchased property and equipment assets is to approximate $55,400,000, based upon individual appraisals completed by the Appraiser (the "Appraisal"). The purchase price for the Communities is based on a Purchase Agreement in the amount of $55,400,000, and based on the Appraisal $50,900,000 is assumed to be allocated to property, plant and equipment and 4,500,000 to intangible assets/goodwill.

Property and Equipment and Depreciation Expense

The Communities are expected to incur routine capital additions during the forecast period that are to be capitalized as property and equipment. Depreciation expense for all capital assets is computed based on the straight-line method for buildings and equipment over estimated average useful lives ranging from 10 to 30 years. The Corporation's property and equipment costs, net of accumulated depreciation, during the forecast period, are summarized in the table below.

Table 21
Schedule of Property and Equipment
(In Thousands)

Fiscal Year Ending December 31,	**2025**	**2026**	**2027**	**2028**	**2029**
Property and equipment, gross Beginning balance	$ -	$ 50,994	$ 51,369	$ 51,769	$ 52,194
Capital acquisition	50,900	-	-	-	-
Routine capital additions	94	375	400	425	450
Property and equipment, gross	$ 50,994	$ 51,369	$ 51,769	$ 52,194	$ 52,644
Accumulated depreciation	(427)	(2,142)	(3,896)	(5,690)	(7,539)
Property and equipment, net ending balance	$ 50,567	$ 49,227	$ 47,873	$ 46,504	$ 45,105

Source: Management

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Long-Term Debt and Interest Expense

Proceeds of the Series 2025 Bonds are to pay for costs of acquiring the Communities; to fund a debt service reserve fund, fund interest, fund working capital and a portion of cost of issuance on the Series 2025 Bonds.

Series 2025A Bonds

The Series 2025A bonds are to consist of $61,125,000 of tax-exempt fixed rate term bonds, assumed to be issued at an original issue discount, with coupon rates ranging from 5.50 to 6.50 percent per annum. Interest payments on the Series 2025A Bonds are assumed to be payable semi-annually on January 1 and July 1 of each year, beginning January 1, 2026. Principal on the Series 2025A Bonds is assumed to be paid annually on January 1 of each year beginning January 1, 2031 with a final maturity and bullet principal payment of approximately $16,015,000 on January 1, 2061.

The following table presents the assumed annual debt service for the Series 2025A Bonds during the forecast period and thereafter.

Table 22
Schedule of Series 2025A Bonds
Annual Debt Service
(In Thousands)

Year Ending December, 31	Principal Payments	Interest Payments	Total Debt Service
2025	$ -	$ -	$ -
2026 (1)	-	2,987	2,987
2027	-	3,953	3,953
2028	-	3,953	3,953
2029	-	3,953	3,953
Thereafter (2)	61,125	93,899	155,024
Total	**$ 61,125**	**$ 108,745**	**$ 169,870**

Source: Management and the Underwriter

(1) First interest payment is due on January 1, 2026.
(2) First principal payment is due on January 1, 2031.

Subordinate Series 2025B Bonds

The subordinate Series 2025B Bonds, to be held by the Seller, are to consist of $4,300,000 of non-rated, subordinated taxable bonds which shall accrue interest at a rate of 8.00 percent per annum with a final maturity and bullet principal payment of approximately $4,300,000 on January 1, 2061.

For the purpose of the forecast, Management assumes no payments of interest or principal on the subordinate Series 2025B Bonds.

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Related Party Transactions

The Board and its directors governs and controls the operations of the Corporation and Trinity is considered a related party to the transaction. Specifically, the Corporation has engaged an affiliate of Trinity as the Asset Manager to provide asset management services upon closing of the Series 2025 Bonds. Additionally, a portion of the Subordinate Series 2025B Bonds holders are anticipated to be members of the ownership of Trinity.

The Board recognizes the various related party transactions and conflicts of interest and have acknowledged they are in compliance with the Corporation's conflicts of interest policy requirements as set forth in the Corporation's by-laws and will continue to be in compliance on an ongoing basis.

Current Assets and Current Liabilities

Working capital components have been estimated based on industry standards and Management's historical experience at the Communities.

Table 23
Working Capital – Days on Hand

Cash and cash equivalents	30	days operating expenses [(1)]
Accounts receivable, net	10	days net resident service revenue
Prepaid expenses	7	days operating expenses [(1)]
Accounts payable, trade	30	days operating expenses [(1)]
Accrued payroll and related liabilities	14	days personnel expenses [(2)]

Source: Management
(1) Operating expenses exclude depreciation, amortization, other non-cash expenses, and interest expense.
(2) Personnel expenses include salaries and wages and payroll taxes and benefits.

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INDEPENDENT ACCOUNTANTS' REPORT ON SUPPLEMENTAL INFORMATION

Board of Directors
Alpha Lifestyle Partners, Inc.
Denver, Colorado

Our examination of the financial forecast presented in the preceding section of this document was conducted for the purpose of forming an opinion on whether the financial forecast of the plans of Alpha Lifestyle Partners, Inc. (the "Corporation" or the "Borrower") to acquire three existing assisted living and memory care facilities in Florida, and Louisiana is presented in conformity with American Institute of Certified Public Accountants ("AICPA") guidelines for the presentation of a forecast and that the underlying assumptions provide a reasonable basis for the forecast. The financial feasibility study was undertaken to evaluate the ability of the Corporation to meet its operating expenses, working capital needs, and other financial requirements, including the debt service requirements associated with the proposed issuance of Capital Trust Authority Senior Living Facilities Senior Lien Revenue Bonds (Alpha Lifestyle Partners, Inc. Project) Series 2025A ("Series 2025A Bonds" or "Senior Bonds") and Capital Trust Authority Senior Living Facilities Junior Lien Revenue Bonds (Alpha Lifestyle Partners Inc. Project), Series 2025B, (the "Series 2025B Bonds" or "Subordinate Bonds," and together with the Series 2025A Bonds, the "Series 2025 Bonds") based on Management's assumptions of future operations of the Corporation.

However, future events could occur which could adversely affect the financial forecast of the Corporation and its ability to meet debt service requirements. These factors include, among others, legislation and regulatory action, changes in assumptions concerning occupancy, rental income rates, financing, and operating costs.

The accompanying supplemental information is presented for purposes of additional analysis and is not a required part of the financial forecast.

The accompanying supplemental analyses are presented for the purpose of demonstrating the significance of certain assumptions and are not to be considered an all-inclusive list. Such information has not been subjected to procedures applied in the examination of the financial forecast and, accordingly, we express no opinion or any other form of assurance on it.

Forvis Mazars, LLP

Atlanta, Georgia
August 28, 2025

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Sensitivity Analysis I – Occupancy

Occupancy rates can vary depending upon economic conditions, the competitive and regulatory environments, and Management's ability to execute the marketing and admission plans. Management assumes stabilized occupancy of approximately 93.2 percent to be maintained throughout the forecast period beginning January 2026. The period of time it takes to achieve and maintain stabilized occupancy could be longer than Management has assumed in the accompanying forecast.

In this analysis, fiscal year 2026 was presented as to be first full year of stabilized occupancy and full application of the property tax exemption portfolio of the Communities.

Sensitivity Analysis IA

The data presented in the table below demonstrates the financial impact if the portfolio occupancy of the Communities is 90.9 percent (equal to the average portfolio occupancy level for the trailing twelve months ending July 2025).

Sensitivity Analysis IB

The data presented in the table below provides a "Breakeven Analysis" assuming a lower stabilized occupancy of the Communities such that the Debt Service Coverage Ratio would approximate 1.00x.

Sensitivity Analysis IC

The data presented in the table below demonstrates the financial impact if the portfolio occupancy of the Communities is 94.0 percent occupancy.

Table 24
Sensitivity Analysis – I
Estimated Financial Information
For the Year Ending December 31, 2026

	As Forecasted	Sensitivity IA	Sensitivity IB	Sensitivity IC
Communities Average Occupancy (Beds)	93.2%	90.9%	87.1%	94.0%
Communities Average Occupied (Beds)	177.0	172.7	165.5	178.6
Debt Service Coverage Ratio [(1)(2)(3)]	1.25x	1.15x	1.00x	1.28x
Days Cash on Hand [(1)(2)]	75	71	47	81

Source: Management
(1) For purposes of the sensitivity analysis, occupancy was reduced without a corresponding adjustment to fixed or staffing expenses. Additionally, the Subordinate Asset Management Fee was assumed to be paid as forecasted.
(2) For purposes of the sensitivity analysis, the assumed amortization schedule for the repayment of the Series 2025 Bonds remained as originally forecasted.
(3) Fiscal year 2026 includes approximately $275,000 of funded interest.

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Sensitivity Analysis II – Property Tax Expense

Management plans to apply for property tax exemptions on each of the three Communities and assumed to receive an exemption from ad valorem property taxes upon conversion to a nonprofit entity beginning fiscal year 2026 and annually thereafter.

Sensitivity Analysis IIA

The data presented in the table below are provided to demonstrate the impact on the overall financial performance of the Communities assuming 50 percent of the assumed property tax exemptions are not received in fiscal year 2026.

Sensitivity Analysis IIB

The data presented in the table below are provided to demonstrate the impact on the overall financial performance of the Communities assuming 100 percent of the assumed property tax exemptions are not received in fiscal year 2026.

Table 25
Sensitivity Analysis – II
Estimated Financial Information
For the Year Ending December 31, 2026

	As Forecasted	Sensitivity IIA	Sensitivity IIB
Property Taxes	$ 387,000	$ 387,000	$ 387,000
Exemption	($387,000)	($193,500)	-
Property Taxes, Net	$ -	$ 193,500	$ 387,000
Debt Service Coverage Ratio [(1)(2)(3)]	1.25x	1.19x	1.14x
Days Cash on Hand [(1)(2)]	75	70	64

Source: Management

(1) For purposes of the sensitivity analysis, the Subordinate Asset Management Fee was assumed to be paid as forecasted.
(2) For purposes of the sensitivity analysis, the assumed amortization schedule for the repayment of the Series 2025A Bonds remained as originally forecasted.
(3) Fiscal year 2026 includes approximately $275,000 of funded interest.

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APPENDIX C-1

FORM OF THE BOND INDENTURE

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BOND INDENTURE

between

CAPITAL TRUST AUTHORITY,
as Issuer

and

UMB BANK, N.A.,
as Bond Trustee

Relating to

Capital Trust Authority
Senior Living Facilities
Senior Lien Revenue Bonds, Series 2025A
(Alpha Lifestyle Partners, Inc. Project)

Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B
(Alpha Lifestyle Partners, Inc. Project)

Dated as of _____ 1, 2025

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BOND INDENTURE

This BOND INDENTURE, dated as of _____ 1, 2025 (this "Bond Indenture"), between CAPITAL TRUST AUTHORITY, a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida (including its successors and assigns, the "Issuer"), and UMB BANK, N.A., a national banking association organized and existing under the laws of the United States of America, which is authorized by law to accept and exercise the trust powers set forth herein, and its successors in trust and assigns (the "Bond Trustee").

W I T N E S S E T H:

WHEREAS, the Issuer is a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida (the "State") established for the purposes set forth under Section 163.01, Florida Statutes, Chapter 166, Part II, Florida Statutes, Chapter 617, Florida Statutes, and Chapter 159, Florida Statutes, each as amended, the Enabling Resolutions (as herein defined); Ordinance Number 04-00, enacted by the City Council of the City of Gulf Breeze, Florida ("Gulf Breeze") on May 15, 2000, as amended and supplemented by Ordinance No. 05-01, and Ordinance No. 10-11, enacted by Gulf Breeze on May 7, 2001 and September 6, 2011, respectively; the City Charter of Gulf Breeze; the City Charter of the City of Quincy, Florida; the Interlocal Agreement (as herein defined) with powers as a "local agency" under Chapter 159, Part II, Florida Statutes, and together with all of the home rule powers granted by the Constitution and laws of the State and all other applicable provisions of law (collectively, the "Act"); and

WHEREAS, by the Enabling Resolutions, Resolution No. 23-24 duly adopted by the Issuer on June 20, 2024 (the "Inducement Resolution") and Resolution No. 41-24, duly adopted by the Issuer on October 29, 2024, as supplemented by Resolution No. [__]-25, duly adopted by the Issuer on [____], 2025 (together with the Inducement Resolution, the "Bond Resolution"), approvals have been duly and validly provided pursuant to the Act to issue revenue bonds for the purpose of providing funds to finance or refinance all or any part of the cost of the Projects (as hereinafter defined) which collectively constitutes a "project" as defined in the Act; and

WHEREAS, Alpha Lifestyle Partners, Inc. (the "Borrower"), has requested financial assistance from the Issuer in financing the acquisition, improvement, and/or equipping of certain senior living facilities as more particularly described in the hereinafter defined Loan Agreement (collectively, the "Projects"); and

WHEREAS, the Issuer has duly entered into a Loan Agreement dated as of _____ 1, 2025 (the "Loan Agreement"), with the Borrower, specifying the terms and conditions of a loan by the Issuer to the Borrower of the proceeds of the Bonds (as hereinafter defined) to (i) finance the acquisition, improvement, and/or equipping of the Projects, (ii) fund a debt service reserve for the Senior Lien Bonds (as defined herein), (iii) fund a deposit to the Operating Reserve Fund under the Master Indenture, (iv) fund capitalized interest on the Senior Lien Bonds, and (v) pay costs of issuing the Bonds; and

WHEREAS, the Issuer and the Bond Trustee are entering into this Bond Indenture for the purpose of authorizing two series of bonds: (i) Capital Trust Authority Senior Living Facilities

Senior Lien Revenue Bonds, Series 2025A **(**Alpha Lifestyle Partners, Inc. Project**)** (the "Series 2025A Bonds"), and (iii) Capital Trust Authority Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc. Project**)** (the "Series 2025B Bonds", and together with the Series 2025A Bonds, the "Bonds"), in the aggregate principal amount of $[__], the net proceeds of which shall be loaned to the Borrower to provide funds to the Borrower for the purpose of acquiring, improving, and/or equipping the Projects, paying costs of issuance of the Bonds and funding certain reserves; and

WHEREAS, it is intended that the Series 2025A Bonds shall be secured under this Bond Indenture on a senior basis to the Series 2025B Bonds, and the Series 2025B Bonds shall be secured under this Bond Indenture on a subordinate basis to the Series 2025A Bonds; and

WHEREAS, the Bond Trustee has the power to enter into this Bond Indenture and to execute the trust hereby created and has accepted the trust created hereby; and

WHEREAS, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal thereof, Redemption Price, if any, and interest thereon, the Issuer has authorized the execution and delivery of this Bond Indenture; and

WHEREAS, all acts and proceedings required by law necessary to make the Bonds, when executed by the Issuer, authenticated and delivered by the Bond Trustee and duly issued, the valid, binding and legal special limited obligations of the Issuer, and to constitute this Bond Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Bond Indenture have been in all respects duly authorized; and

WHEREAS, in consideration of the issuance of the Bonds by the Issuer, the Borrower has agreed to cause to be issued to the Issuer or its designee Obligation No. 1 and Obligation No. 2 pursuant to the Master Trust Indenture and the Supplemental MTIs (as such terms are defined herein); and

NOW, THEREFORE, THIS BOND INDENTURE WITNESSETH, that in order to secure the payment of the principal of, Redemption Price, if any, and interest on, all Bonds at any time issued and Outstanding under this Bond Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, the Issuer does hereby covenant and agree with the Bond Trustee, for the benefit of the Owners from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Bond Indenture and of any indenture supplemental hereto and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined.

"*Account*" or "*Accounts*" means any one or more of the accounts from time to time created in any of the Funds established by the Bond Indenture or by any Supplemental Bond Indenture.

"*Accountant*" or "*accountant*" means any certified public accountant or firm of certified public accountants or accounting corporation selected by the Borrower.

"*Accredited Investor*" means an accredited investor as defined in Regulation D of the Securities Act of 1933, as amended.

"*Act*" means Section 163.01, Florida Statutes, Chapter 166, Part II, Florida Statutes, Chapter 617, Florida Statutes, and Chapter 159, Florida Statutes, each as amended; the Enabling Resolutions; Ordinance Number 04-00, enacted by the City Council of the City of Gulf Breeze, Florida ("Gulf Breeze") on May 15, 2000, as amended and supplemented by Ordinance No. 05-01, and Ordinance No. 10-11, enacted by Gulf Breeze on May 7, 2001 and September 6, 2011, respectively; the City Charter of Gulf Breeze; the City Charter of the City of Quincy, Florida; the Interlocal Agreement, with powers as a "local agency" under Chapter 159, Part II, Florida Statutes, and together with all of the home rule powers granted by the Constitution and laws of the State and all other applicable provisions of law.

"*Additional Payments*" means the payments so designated and required to be made by Borrower pursuant to Section 3.2 of the Loan Agreement.

"Annual Issuer's Fee" means the regular fee of the Issuer, due and payable in advance on each October 1, in an amount equal to $25,000. Notwithstanding the foregoing, upon the defeasance of the Bonds, the sum of the Annual Issuer's Fees that would have been paid between the date of defeasance to the date of optional redemption shall become immediately due and payable.

"*Arbitrage Rebate Monitor*" means initially, Integrity Public Finance Consulting, LLC, a Florida limited liability company, and thereafter any certified public accountant, financial analyst or Bond Counsel or a financial institution (which may include the Bond Trustee) experienced in making the arbitrage and rebate calculations required pursuant to Section 148(f) of the Code, selected by the Issuer and compensated by the Issuer to perform the duties required pursuant to Section 5.4(b) of the Loan Agreement.

"*Authorized Denominations*" means, with respect to the Bonds, $100,000 principal amount and integral multiples of $5,000 in excess thereof, except that a Bond held by an Owner that has become held in a denomination of less than $100,000 as a result of a partial redemption of such

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Bond may be transferred or exchanged by such Owner or subsequent Owner but only to transferees permitted under Section 3.08 hereof; provided, however, in the event (i) the Bond Trustee and the Issuer have received an Investment Grade Notice, and (ii) the Trustee has received the authorization and direction of the Issuer to remove the herein described transfer restrictions, "Authorized Denominations" means $5,000 or any integral multiple thereof throughout an Investment Grade Period.

"Authorized Issuer Representative" means any person or persons at the time designated to act on behalf of the Issuer by written certificate furnished to the Borrower and the Bond Trustee, containing the specimen signature of such person and signed on behalf of the Issuer by the Chair of the Issuer. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

"*Authorized Representative of the Borrower*" means the chair (or president) of its Governing Body, its chief executive officer or its chief financial officer, its secretary or any other person designated as an Authorized Representative of the Borrower by a Certificate of the Borrower, signed by the chair (or president) of its Governing Body or its chief executive officer or chief financial officer and filed with the Bond Trustee.

"*Beneficial Owner*" means any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including Persons holding Bonds through nominees, depositories or other intermediaries).

"*Bond"* or *"Bonds*" means, collectively, the Series 2025A Bonds and the Series 2025B Bonds.

"*Bond Counsel*" means a firm of attorneys, selected or approved by the Issuer, whose experience in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized.

"*Bond Documents*" means the Bond Indenture, the Loan Agreement, the Bond Purchase Agreement and the Tax Agreement.

"*Bond Indenture*" means this Bond Indenture, dated as of _____ 1, 2025, by and between the Issuer and the Bond Trustee, as originally executed and as it may from time to time be amended, modified and supplemented in accordance with the terms thereof.

"*Bond Purchase Agreement*" means the Bond Purchase Agreement, dated _____ __, 2025, by and among the Issuer, the Borrower and the Underwriter.

"*Bond Resolution*" means the resolutions adopted by the Issuer authorizing the issuance of the Bonds.

"*Bond Trustee*" means UMB BANK, N.A., as Bond Trustee under the Bond Indenture, together with any successors or assigns.

"*Bond Trustee Indemnified Parties*" means, individually or collectively, as applicable, the Bond Trustee and its officers, directors, employees and agents, and its successors and assigns.

"*Bondholder," "Holder," "Owner"* or *"Registered Owner*" means the person in whose name any of the Bonds are registered on the books kept and maintained by the Bond Trustee as bond registrar. The initial Bondholder of the Series 2025A Bonds is Cede & Co., as nominee of The Depository Trust Company. The initial Bondholder of the Series 2025B Bonds is [_____].

"*Borrower*" means Alpha Lifestyle Partners, Inc., a Delaware nonprofit corporation, and its successors and assigns, designated and authorized to act on behalf of the Obligated Group.

"*Borrower Documents*" means the Loan Agreement, the Master Trust Indenture, the Supplemental MTIs, the Obligations, the Purchase Agreement, the Bond Purchase Agreement, the Mortgages, the Collateral Assignment of Licenses, Contracts and Agreements, the Continuing Disclosure Agreement, the Tax Agreement and each of the other agreements, certificates, contracts or instruments to be executed by the Borrower in connection with the issuance of the Bonds or the financing of a portion of the expenses associated with the Projects.

"*Business Day*" means any day other than a Saturday, Sunday, or national holiday recognized by commercial banks located in New York or Florida, or a legal holiday in the States of New York or Florida.

"*Cede & Co*." means the nominee of DTC.

"*Certificate," "Request," "Direction,"* or *"Order*" means a written certificate, statement, request, direction, requisition or order signed on behalf of the Borrower by an Authorized Representative of the Borrower or on behalf of the Issuer by an Authorized Issuer Representative. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

"*Closing*" or "*Closing Date*" means _____ __, 2025.

"*Code*" means the Internal Revenue Code of 1986, as amended, and the United States Treasury Regulations proposed or in effect with respect thereto.

"*Collateral Assignment of Licenses, Contracts and Agreements*" means the Collateral Assignment of Licenses, Contracts and Agreements, dated as of _____ __, 2025, executed by each Member in favor of the Master Trustee, as amended from time to time.

"*Consultant*" means any Person at the time employed by or on behalf of the Borrower to carry out the duties imposed by or pursuant to the Loan Agreement, the Bond Indenture or a Supplemental Bond Indenture, which Person shall be experienced, have a favorable reputation in the matters for which such Person is so employed, and be independent of the Borrower.

"*Continuing Disclosure Agreement*" means the Continuing Disclosure Agreement dated as of _____ 1, 2025 between the Borrower and the Dissemination Agent, and as it may thereafter be amended or supplemented from time to time in accordance with its terms.

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"*Controlling Party*" means (a) so long as any Senior Lien Bonds are Outstanding, the Registered Owners of at least a majority of the aggregate principal amount of the Senior Lien Bonds then Outstanding; and (b) while any Junior Lien Bonds are Outstanding and no Senior Lien Bonds are Outstanding, the Registered Owners of at least a majority of the aggregate principal amount of the Junior Lien Bonds then Outstanding.

"*Costs of Issuance*" means the items of expense relating to the authorization, sale and issuance of Bonds, which items of expense may include, without limitation: travel expenses; printing costs; costs of reproducing documents; filing and recording fees; initial and first year administrative fees and charges of the Bond Trustee, Consultants, Registrar and any paying agent; initial fees and charges of banks, insurers or other parties pursuant to guarantees or bond insurance policies; bond discounts; legal fees and charges; consulting fees and charges; auditing fees and expense; financial advisor's fees and charges; escrow agent fees and charges, appraisal company fees and expenses, title company fees and charges, costs of credit ratings; insurance premiums; fees and charges for the execution, transportation and safekeeping of Bonds; and any other administrative or other costs of issuing, carrying and repaying such Bonds and investing the Bond proceeds.

"*Debt Service*" means, as of any date of calculation, with respect to any particular period and with respect to all Bonds, all Bonds of any Series or any portion thereof as the context requires, an amount equal to the sum of (a) interest accruing during such period on such Outstanding Bonds and (b) that portion of each Principal Payment and Mandatory Sinking Fund Installment for such Outstanding Bonds which would accrue during such period if each such Principal Payment and Mandatory Sinking Fund Installment for such Bonds were deemed to accrue daily in equal amounts from the next preceding Principal Payment Date for such Bonds (or, if there shall be no such preceding date, from a date one year preceding such Principal Payment Date or from the date of issuance of the such Bonds, whichever date is later). Such interest, principal and Mandatory Sinking Fund Installment payments for the Outstanding Bonds shall be calculated on the assumption that no Bonds Outstanding at the date of calculation shall cease to be Outstanding except by reason of the payment of scheduled principal and Mandatory Sinking Fund Installment on the due dates thereof and on the basis of the actual number of days within the relevant period.

"*Debt Service Fund*" means the Debt Service Fund established by Section 5.02 of this Bond Indenture, together with the Accounts established therein.

"*Defeasance Investment Securities*" means:

(a) Cash deposits (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in the next paragraph).

(b) Direct obligations of (including obligations issued or held in book entry form on the books of the Department of Treasury) the United States of America. In the event these securities are used for defeasance, they shall be non-callable and non-prepayable.

(c) Obligations of the following federal agencies so long as such obligations are backed by the full faith and credit of the United States of America (in the event these securities are used for defeasance, they shall be non-callable and non-prepayable):

U.S. Export-Import Bank (Eximbank)

Rural Economic Community Development Administration

Federal Financing Bank

U.S. Maritime Administration

U.S. Department of Housing and Urban Development (PHAs)

General Services Administration

Small Business Administration

Government National Mortgage Association (GNMA)

Federal Housing Administration

Farm Credit System Financial Assistance Corporation

"*Depository*" means initially DTC, or any other securities depository selected as set forth in Section 3.14 of this Bond Indenture with respect to the Bonds.

"*Designated Office*" or "*Designated Corporate Trust Office*" with respect to the Bond Trustee means the corporate trust office of the Bond Trustee located at the address set forth in Section 13.08 of this Bond Indenture, or at such other place as the Bond Trustee shall designate by notice given under said Section 13.08, or such other office designated by the Bond Trustee from time to time.

"*Determination of Taxability*" means a determination that interest accrued or paid on any series of Tax-Exempt Bonds is included in gross income for federal income tax purposes, which determination shall be deemed to have been made upon the occurrence of the first to occur of (a) the date on which any Owner is advised in writing by the Commissioner or any District Director of the Internal Revenue Service that interest on any series of the Tax-Exempt Bonds is included in gross income for federal income tax purposes, (b) the date on which the Issuer or the Borrower receives notice from an Owner that such Owner has been (i) advised in writing that Internal Revenue Service has issued a statutory notice of deficiency or similar notice to such Owner that asserts, in effect, that interest on a series of the Tax-Exempt Bonds received by such Owner is included in the gross income of such Owner for federal income tax purposes, or (ii) by an Opinion of Bond Counsel received by such Owner that concludes, in effect, that interest on a series of the Tax-Exempt Bonds is included in gross income for federal income tax purposes, (c) the day on which the Issuer is advised in writing by the Commissioner or any District Director of the Internal Revenue Service that there has been issued a public or private ruling of the Internal Revenue Service that the interest on a series of Tax-Exempt Bonds is included in gross income for federal income tax purposes, or (d) the day on which the Issuer is advised in writing by counsel to an Owner that a final determination, from which no further right to appeal exists, has been made by a court of competent jurisdiction in the United States of America in a proceeding with respect to which the Issuer and the Borrower have been given written notice and an opportunity to participate

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and defend that the interest on the applicable series or series of Tax-Exempt Bonds is included in gross income for federal income tax purposes; provided, however, that a Determination o Taxability shall not include any such determination that is solely the result of a change in the Code.

"Dissemination Agent" means Digital Assurance Certification LLC, a Florida limited liability company, or any successor thereto, acting as Dissemination Agent under the Continuing Disclosure Agreement.

"*DTC*" means The Depository Trust Company, or any successor securities depository thereto.

"*Effective Date*" means the Closing Date.

"*Electronic Means*" means telecopy, telegraph, telex, electronic mail, facsimile transmission or other similar electronic means of communication providing confirmation of receipt, including a telephonic communication confirmed by writing or written transmission.

"*EMMA*" means and refers to the Electronic Municipal Market Access system of the Municipal Rulemaking Securities Board, or any successor which comports with the applicable rules of the United States Securities and Exchange Commission.

"*Enabling Resolutions*" means, collectively, the Gulf Breeze Resolution and the Quincy Resolution.

"*Environmental Regulations*" means all legal requirements governing or relating to the protection of the environment, natural resources or human health concerning (i) activities at the Projects, (ii) repairs or rehabilitation of the Projects, (iii) handling of any materials at the Projects, (iv) releases into or upon the air, soil, surface water or ground water from the Projects, and (v) storage, distribution, use, treatment, transport or disposal of any waste at or connected with any activity at the Projects, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 42 U.S.C. §§ 9601 et seq., as amended from time to time; the Hazardous Materials Transportation Act 49 U.S.C. §§ 5101 et seq., as amended from time to time; the Resource Conservation and Recovery Act 42 U.S.C. §§ 6901 et seq., as amended from time to time; the Federal Water Pollution Control Act 33 U.S.C. §§ 1251 et seq., as amended from time to time; and comparable State statutes.

"*Fiscal Year*" means the twelve (12) month period terminating on December 31 of each year, or any other annual accounting period hereafter selected and designated by the Borrower as its Fiscal Year in accordance with Generally Accepted Accounting Principles.

"*Fitch*" means Fitch, Inc., doing business as Fitch Ratings, or its successors in the business of providing investment rating services, provided that if neither Fitch nor any such successor is then in such business the references to Fitch and ratings thereof shall no longer be requirements of the Bond Documents.

"*Fund"* or *"Funds*" means any one or more, as the case may be, of the separate special funds established by the Bond Indenture or by any Supplemental Bond Indenture.

"*Generally Accepted Accounting Principles*" means those conventions, rules, procedures and practices, consistently applied, affecting all aspects of recording and reporting financial transactions which are generally accepted by major independent accounting firms in the United States.

"*Governing Body*" means, when used with respect to the Borrower, its board of directors, board of trustees, or other board or group of individuals in which all of the powers of such Person are vested except for those powers reserved to the corporate membership thereof by the articles of organization, operating agreement or other organizational documents of such Person.

"*Gulf Breeze Resolution*" means Resolution No. 14-22, duly adopted by the City Council of the City of Gulf Breeze, Florida, on June 6, 2022, as amended by Resolution No. 46-22, duly adopted by the City Council of City of Gulf Breeze, Florida on November 21, 2022.

"*Hazardous Substances*" means any petroleum or petroleum products and their by-products, flammable explosives, radioactive materials, toxic chemicals and substances, radon, asbestos in any form that is or could become friable, urea formaldehyde foam insulation and polychlorinated biphenyls (PCB), asbestos-containing materials (ACMs), lead-containing or lead-based paint (LBP), radon, Mold, medical waste and other bio-hazardous materials and any chemicals, pollutants, materials or substances defined as or included in the definition of "hazardous substances" as defined pursuant to the federal Comprehensive Environmental Response, Compensation and Liability Act, "regulated substances" within the meaning of subtitle I of the federal Resource Conservation and Recovery Act and words of similar import under applicable Environmental Regulations.

"*Indemnified Party*" and "*Indemnified Parties*" shall have the meaning given in Section 5.3 of the Loan Agreement.

"*Interest Payment Date*" means January 1 and July 1, commencing January 1, 2026.

"Interlocal Agreement" means the Interlocal Agreement dated as of June 6, 2022, between the City of Gulf Breeze, Florida, and the City of Quincy, Florida, as may be amended and supplemented from time-to-time.

"*Investment Grade Notice*" means any official notice released by any Rating Agency that the Bonds have been rated Baa3 by Moody's, BBB- by S&P or Fitch, or its equivalent, or higher, by such Rating Agency.

"*Investment Grade Period*" means any period during which the Bonds are rated Baa3 by Moody's, BBB- by S&P or Fitch, or its equivalent, or higher, by such Rating Agency.

"*Investment Securities*" means any of the following:

(a) negotiable instruments or securities represented by instruments in bearer or registered or in book-entry form which evidence (i) obligations fully guaranteed by the United States of America; (ii) obligations of any agency of the United States of America; (iii) time deposits in, or bankers acceptances issued by, any depositary institution or trust company incorporated under the laws of the United States of America or any state thereof and subject to supervision and

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examination by Federal or state banking or depositary institution authorities; provided, however, that at the time of investment or contractual commitment to invest therein, the certificates of deposit or short-term deposits, if any, or long-term unsecured debt obligations (other than such obligation whose rating is based on collateral or on the credit of a Person other than such institution or trust company) of such depositary institution or trust company shall have a credit rating from Moody's and S&P of at least "P-1" and "A-1," respectively, in the case of the certificates of deposit or short-term deposits, or a rating not lower than one of the two highest investment categories granted by Moody's and by S&P in the caser of long term unsecured debt obligations; (iv) certificates of deposit having, at the time of investment or contractual commitment to invest therein, a rating from Moody's and S&P of at least "P-1" and "A-1," respectively; or (v) investments in money market funds (including those owned or managed by the Bond Trustee) rated in the highest investment category or otherwise approved in writing by Moody's and S&P;

(b) demand deposits and cash escrows in any depositary institution or trust company (including those owned or managed by the Bond Trustee) referred to in (a)(iii) above;

(c) commercial paper (having original or remaining maturities of no more than 30 days) having, at the time of investment or contractual commitment to invest therein, a credit rating from Moody's and S&P of at least "P-1" and "A-1," respectively;

(d) Eurodollar time deposits having a credit rating from Moody's and S&P of at least "P-1" and "A-1," respectively;

(e) repurchase agreements involving any of the Investment Securities described in clauses (a)(i), (a)(iv) and (d) of this definition so long as the other party to the repurchase agreement has at the time of investment therein, a rating from Moody's and S&P of at least "P-1" and "A-1," respectively;

(f) investments in the form of guaranteed investment contracts, funding agreements with primary dealers, or repurchase agreements shall contain a provision for the unwinding of such investment within three (3) business days if the long term or short term debt rating of the bank, primary dealer or other financial institution, as the case may be, falls below "A-" by S&P or Fitch or below "Aa" by Moody's, or such entity defaults on the payment of any of its obligations to or on behalf of the Borrower, unless such investment is collateralized with obligations of the U.S. Government in an amount equal to at least 102% of the face amount of such investments or such rating is reinstated on or prior to such unwind date;

(g) U.S. dollar denominated deposit accounts that are fully and continuously insured by the Federal Deposit Insurance Corporation; and

(h) any other investment permitted by a Supplemental Bond Indenture and which satisfies any Rating Agency conditions.

"*Investor Letter*" means the investor letter delivered by each original purchaser of Bonds in the form attached hereto as Exhibit C, with such modifications as may be approved by the Issuer.

"*Issuer*" means the Capital Trust Authority, a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida, and any successor body to the duties or functions of the Issuer.

"*Issuer Documents*" means collectively the Loan Agreement, the Bond Indenture, the Bond Purchase Agreement, the Tax Agreement, and any other agreement, certificate, contract, or instrument to be executed by the Issuer in connection with the issuance of the Bonds or the financing of a portion of the expense associated with the Projects.

"*Issuer Indemnified Party*" or "*Issuer Indemnified Parties*" means the Issuer, the Sponsoring Political Subdivisions, and each of their respective past, present, and future incorporators, directors, board members or commissioners, council members, governing members, trustees, commissioners, officers, elected or appointed officials, Authorized Issuer Representative, counsel, advisors, and agents and employees, together with their respective successors and assigns individually and collectively.

"Issuer's Fees and Expenses" means the fees and expenses, if any, payable to or incurred by the Issuer under or in connection with the Bonds or any of the other Bond Documents, and including, but not limited to, the Annual Issuer's Fee and any fees and expenses of counsel to the Issuer.

"*Issuer's Reserved Rights*" means (a) all of the Issuer's right, title and interest in its reimbursement and indemnification pursuant to the Bond Documents and all enforcement remedies with respect to the foregoing, all of which shall survive any transfer, retirement or payment of the Bonds in full or in part and which shall also survive the termination of the Loan Agreement and this Bond Indenture, (b) all the rights to receive the Issuer's Fees and Expenses, (c) the right to receive notices and to make any determination and to grant any approval or consent to anything in this Bond Indenture, the Loan Agreement, and the Bonds requiring the determination, consent or approval of the Issuer, (d) all rights of the Issuer to enforce the representations, warranties, covenants and agreements of the Borrower set forth in the Loan Agreement and the Tax Agreement, (e) any and all limitations of liability of the Issuer set forth in the Bond Documents and related rights and remedies regarding (1) the negotiability, registration and transfer of the Bonds, (2) the loss or destruction of the Bonds, (3) the limited liability of the Issuer as provided in the Act and in this Bond Indenture and the Bond Documents, (4) the maintenance of insurance by the Borrower, (5) no liability of the Issuer to third parties, and (6) no warranties of suitability or merchantability by the Issuer, and (f) all rights of the Issuer in connection with any amendment to or modification of this Bond Indenture, the Loan Agreement, and the Bonds.

"*Junior Lien Bonds*" means the Series 2025B Bonds.

"*Junior Lien Redemption Account*" means the account by that name established within the Debt Service Fund pursuant to Section 5.02 of this Bond Indenture.

"*Letter of Instructions*" means a written directive and authorization executed by an Authorized Issuer Representative and delivered to the Bond Trustee in connection with the defeasance of any of the Bonds under the Bond Indenture.

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"*Liabilities*" means any and all fees, costs and charges, losses, damages, claims, actions, liabilities and expenses of any conceivable nature, kind or character (including, without limitation, fees and expenses of attorneys, accountants, consultants and other experts, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) in any way related to the Bonds or the Projects to which the Indemnified Parties, or any of them, may become subject under any statutory law or regulation (including federal or state securities laws and regulations and federal tax laws or regulations) or at common law or otherwise.

"*Limited Offering Memorandum*" means the limited offering memorandum with respect to the Bonds.

"*Loan Agreement*" means that certain Loan Agreement by and between the Issuer and Borrower, dated as of _____ 1, 2025, as originally executed and as it may from time to time be supplemented, modified or amended in accordance with the terms thereof and of this Bond Indenture.

"*Loan Default Event*" means any of the events specified in Section 6.1 of the Loan Agreement.

"*Loan Repayments*" means the payments so designated and required to be made by the Borrower pursuant to Section 3.1 of the Loan Agreement.

"*Mandatory Sinking Fund Installment*" means with respect to the Bonds, the amount required to be paid as the Redemption Price of Bonds subject to mandatory sinking fund redemption on any Principal Payment Date prior to maturity pursuant to the Bond Indenture or the Supplemental Bond Indenture for such Bonds, less the amounts credited to such Mandatory Sinking Fund Installment as set forth in Sections 4.03(a)(1) and 4.03(a)(2) hereof.

"*Master Trust Indenture*" means that certain Master Trust Indenture, dated as of _____ 1, 2025, among the Obligated Group Representative, the Members of the Obligated Group and the Master Trustee, as originally executed and as the same may be amended and supplemented from time to time in accordance with its terms.

"*Master Trustee*" means UMB BANK, N.A., as the Master Trustee appointed pursuant to the Master Trust Indenture.

"*Maximum Rate*" means the not to exceed interest rate stated in the Bond Resolution.

"*Member of the Obligated Group*" or "*Member*" means the Borrower, Alpha Lifestyle Partners Florida, Inc., ALP Covington, LLC, ALP Naples, LLC, and ALP Venice, LLC, and any other Person who has satisfied the requirements set forth in the Master Trust Indenture for becoming a Member of the Obligated Group and its successors until any such Person or a successor or transferee Person satisfies the requirements set forth in the Master Trust Indenture for ceasing to be a Member of the Obligated Group.

"*MMD Rate*" means, with respect to the Bonds, the "Comparable AAA General Obligations" yield curve rate for the period most nearly equal to the remaining average life (assuming any future Mandatory Sinking Fund Installments for the applicable Bonds would have

been applied on a pro rata basis to the applicable Bond) from the redemption date of the principal of the Bond to be redeemed as published by Municipal Market Data five business days prior to the date of redemption. If no such yield curve rate is established for a period ending within one year of such remaining average life of the Bond to be redeemed, the "Comparable AAA General Obligations" yield curve rate for the two published maturities most closely corresponding to the remaining average life of such Bond will be determined, and the "MMD Rate" will be interpolated or extrapolated from those yield curve rates on a straight-line basis.

"*Moody's*" means Moody's Investors Service, Inc. or its successors in the business of providing investment rating services, provided that if neither Moody's nor any successor is then in such business the reference to Moody's and ratings thereof shall no longer be requirements of the Bond Documents.

"*Mortgages*" or "*Mortgage*" means, collectively, any mortgage, including leasehold deed of trust, deed of trust, security agreement, assignment of rents and leases, and/or financing statement, dated as of _____ __, 2025, executed by a Member of the Obligated Group, as mortgagor, in favor of the Master Trustee, as mortgagee, on behalf of the holders of the Obligations, as amended from time to time.

"*Obligated Group*" means, collectively, each Member of the Obligated Group.

"*Obligated Group Representative*" means the Borrower, and its successors and assigns, designated and authorized to act on behalf of the Obligated Group as provided for in the Master Trust Indenture.

"*Obligations*" means Obligation No. 1 and Obligation No. 2 issued pursuant to the Master Trust Indenture and the Supplemental MTIs securing Borrower's obligations under the Loan Agreement.

"*Opinion of Bond Counsel*" means a written opinion signed by Bond Counsel.

"*Outstanding*" means, with respect to any Bonds as of any date, Bonds theretofore or thereupon being authenticated and delivered under the Bond Indenture except:

(a) Bonds canceled or delivered for cancellation at or prior to such date;

(b) Bonds in lieu of or in substitution for which other Bonds have been authenticated and delivered pursuant to the Bond Indenture; and

(c) Bonds deemed to have been paid, redeemed, purchased or defeased as provided in the Bond Indenture, in any Supplemental Bond Indenture, as applicable, or as provided by law.

"*Owner*" means (i) when used with reference to the book entry only system, the person who is considered the Beneficial Owner of the Bonds and, with respect to the Bonds, pursuant to the arrangements for book entry determination of ownership applicable to the Depository and, (ii) for purposes of continuing disclosure, any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons

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holding such through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bonds for federal income tax purposes.

"*Participant*" means those broker-dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository.

"*Permitted Liens*" has the meaning set forth in the Master Trust Indenture.

"*Person*" means any individual, public or private corporation, partnership, limited liability company, county, district, issuer, municipality, political subdivision or other entity of any state or the United States of America, and any partnership, association, firm, trust, estate or any other entity or organization whatsoever.

"*Principal Payment*" means with respect to any Principal Payment Date for any Series of Bonds, an amount equal to the sum of (a) the aggregate principal amount of Outstanding Bonds of such Series which mature on such Principal Payment Date, reduced by the aggregate principal amount of such Outstanding Bonds of such Series which are scheduled to be retired prior to such date as a result of Mandatory Sinking Fund Installments in accordance with the Bond Indenture or a Supplemental Bond Indenture; plus (b) the aggregate amount of any Mandatory Sinking Fund Installments payable on such Principal Payment Date for the retirement of any Outstanding Bonds of such Series.

"*Principal Payment Date*" means with respect to any Series of Bonds a date on which principal of or a Mandatory Sinking Fund Installment on such Series of Bonds is due and payable.

"*Projects*" means the projects identified in Exhibit B of the Loan Agreement.

"*Purchase Agreement*" means each Purchase and Sale Agreement dated _____ __, 2025, by and among the Borrower, a Member and the applicable affiliate of Trinity Investors, LLC.

"*Qualified Institutional Buyer*" has the meaning set forth in Rule 144A under the Securities Act of 1933, as amended.

"*Quincy Resolution*" means Resolution No. 1424-2022, duly adopted by the City Commission of the City of Quincy, Florida, on May 24, 2022.

"*Rating Agency*" means each of Fitch, Moody's and S&P.

"*Rebate Analyst*" means initially, Integrity Public Finance Consulting, LLC, a Florida limited liability company, and thereafter any certified public accountant, financial analyst or Bond Counsel or a financial institution (which may include the Bond Trustee) experienced in making the arbitrage and rebate calculations required pursuant to Section 148(f) of the Code, selected by the Borrower, acceptable to the Issuer and compensated by the Borrower, to make the computations and give the directions required pursuant to the Loan Agreement, this Bond Indenture or any Supplemental Bond Indenture.

"*Rebate Fund*" means the Rebate Fund established by Section 5.02 of this Bond Indenture, and includes any separate accounts or subaccounts established by the terms of any Supplemental Bond Indentures or any agreement pursuant thereto.

"*Record Date*" means the close of business on the 15th day of the calendar month (whether or not a Business Day) preceding such Interest Payment Date.

"*Redemption Date*" means the date upon which any Bonds are to be redeemed prior to their respective fixed maturities pursuant to the mandatory or optional redemption provision of this Bond Indenture.

"*Redemption Price*" means, with respect to any Bond, the amount, including any applicable premium, payable upon the mandatory or optional redemption thereof, as provided in the Bond Indenture or any Supplemental Bond Indenture.

"*Register*" means the register maintained by the Registrar for each Series of Bonds which shows ownership of Bonds in accordance with Section 3.08 of this Bond Indenture.

"*Registered Owner*" means Bondholder.

"*Registrar"* means, with respect to the Bonds, the Bond Trustee, and the successor or successors appointed pursuant to and meeting the requirements of Article X of this Bond Indenture.

"*Required Payments*" means the payments so designated and required to be made by Borrower pursuant to Section 3.01 of the Master Trust Indenture.

"*Responsible Officer*" means, when used with respect to the Bond Trustee, officer in the corporate trust department of the Bond Trustee having direct responsibility for administration of this Bond Indenture.

"*Revenue Fund*" means the Revenue Fund established by Section 5.02 of this Bond Indenture.

"*Revenues*" means all amounts received by the Bond Trustee for the account of the Issuer pursuant to or with respect to the Loan Agreement or Obligations, including, without limiting the generality of the foregoing, Loan Repayments (including both timely and delinquent payments and any late charges, and whether paid from any source), Required Payments, prepayments and all interest, profits or other income derived from the investment of amounts in any fund or account established pursuant to this Bond Indenture, but not including any Additional Payments, the Annual Issuer's Fee, any payments with respect to the Issuer's Reserved Rights, or any moneys required to be deposited in the Rebate Fund.

"*Rule*" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

"*Securities Depositories*" means the following registered securities depositories: (a) The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Fax: (516) 227-4039 or 4190; (b) Midwest Securities Trust Company, Capital Structures-Call Notification, 440

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South LaSalle Street, Chicago, Illinois 60605, Fax: (312) 663-2343; and (c) Philadelphia Depository Trust Company, Reorganization Division, 1900 Market Street, Philadelphia, Pennsylvania 19103, Attention: Bond Department, Fax: (215) 496-5058; or, (d) in accordance with then-current guidelines of the Securities and Exchange Commission, to such other addresses and/or such other securities depositories, as the Securities and Exchange Commission may designate from time to time.

"*Senior Lien Bonds*" means the Series 2025A Bonds.

"*Senior Lien Debt Service Reserve Fund*" means the Senior Lien Debt Service Reserve Fund established by Section 5.02 of this Bond Indenture.

"*Senior Lien Debt Service Reserve Fund Requirement*" means, as of any date of calculation, the least of (i) 10% of the Principal Amount of Series 2025A Bonds then Outstanding, (ii) maximum annual debt service on all Series 2025A Bonds then Outstanding, or (iii) 125% of average annual debt service on all Series 2025A Bonds then Outstanding, excluding, in each case, the debt service due in [final year of maturity].

"*Senior Lien Redemption Account*" means the account by that name established within the Debt Service Fund pursuant to Section 5.02 of this Bond Indenture.

"*Series*" means Bonds identified as a separate series which are authenticated and delivered on original issuance and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to the Bond Indenture or any Supplemental Bond Indenture.

"*Series 2025A Bonds*" means the $[__] aggregate principal amount of Capital Trust Authority Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A **(**Alpha Lifestyle Partners, Inc. Project).

"*Series 2025B Bonds*" means the $[__] aggregate principal amount of Capital Trust Authority Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc. Project**)**.

"Sponsoring Political Subdivisions" means, collectively, the City of Gulf Breeze, Florida and the City of Quincy, Florida.

"*S&P*" means S&P Global Ratings, a division of S&P Global, Inc., or its successor in the business of providing investment rating services, provided that if neither S&P nor any such successor is then in such business the references to S&P and ratings thereof shall no longer be requirements of the Bond Documents.

"*State*" means the State of Florida.

"*Subaccount*" means any one or more of the subaccounts from time to time created in any of the Accounts established by Section 5.02 of this Bond Indenture or by any Supplemental Bond Indenture.

"*Supplemental Bond Indenture*" means any Bond Indenture supplemental to or amendatory of this Bond Indenture, entered into by the Issuer and the Bond Trustee in accordance with Article XI thereof.

"*Supplemental MTIs*" means those Supplemental Master Trust Indentures for the Obligations, dated as of _____ 1, 2025, between the Obligated Group Representative and the Master Trustee, as originally executed and as the same may be amended and supplemented from time to time in accordance with its terms.

"*Tax Agreement*" means the Tax Regulatory Agreement among the Issuer, the Borrower and the Obligated Group with respect to the Bonds, at the time of issuance and delivery of the Bonds, as the same may be amended or supplemented in accordance with its terms.

"*Tax-Exempt Bonds*" means the Series 2025A Bonds and the Series 2025B Bonds.

"*Trust Estate*" has the meaning ascribed thereto in Section 5.01(b) hereof.

"*Underwriter*" means Stifel, Nicolaus & Company, Incorporated.

Section 1.02 Table of Contents, Titles and Headings. The table of contents, titles and headings of the articles and sections of this Bond Indenture have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Bond Indenture or any provision hereof or in ascertaining intent, if any question of intent should arise. Any headings preceding the texts of the several Articles and Sections of this Bond Indenture, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Bond Indenture, nor shall they affect its meaning, construction or effect.

Section 1.03 Interpretation and Construction. For purposes of this Bond Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) All references in this Bond Indenture to designated "Exhibits," "Articles," "Sections," "subsections," "paragraphs," "clauses" and other subdivisions are to the designated Exhibits, Articles, Sections, subsections, paragraphs, clauses and other subdivisions of this Bond Indenture. The words "herein," "hereof," "hereto," "hereby," "hereunder" and other words of similar import refer to this Bond Indenture as a whole and not to any particular Article, Section or other subdivision.

(b) The terms defined in Section 1.01 have the meanings assigned to them in Section 1.01 and include the plural as well as the singular.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with Generally Accepted Accounting Principles as in effect from time to time.

(d) The term "money" includes any cash, check, deposit, Investment Security or other form in which any of the foregoing are held hereunder.

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(e) Whenever the word "includes" or "including" is used, such word means "includes or including by way of example and not limitation."

(f) Every "request," "order," "demand," "application," "appointment," "notice," "statement," "certificate," "consent," "direction" or similar action under this Bond Indenture by any party must be in writing and signed by a duly authorized representative of such party with a duly authorized signature.

(g) In the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and each of the words "to" and "until" means "to but excluding."

(h) This Bond Indenture and all terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Bond Indenture.

(i) To the extent any inconsistencies exist between any of the provisions contained in this Bond Indenture, the more specific provisions shall control over the more general provisions.

(j) All references in this Bond Indenture to "counsel fees," "attorneys' fees" or the like mean and include fees and disbursements allocable to in-house or outside counsel, whether or not suit is instituted, and including fees and disbursements preparatory to and during any proceedings of a governmental or regulatory body, judicial or administrative hearing, trial and appeal and in any bankruptcy or arbitration proceedings.

(k) All approvals, consents and acceptances required to be given or made by any person or party hereunder shall be at the reasonable discretion of the party whose approval, consent or acceptance is required except to the extent otherwise specified herein.

(l) For purposes hereof, the Issuer shall not be deemed to have knowledge of any fact or the occurrence of any event unless and until the Authorized Issuer Representative has written notice thereof or actual knowledge thereof.

(m) Whenever the Issuer is named or referred to, it shall be deemed to include its successors and assigns whether so expressed or not. All of the covenants, stipulations, obligations, and agreements by or on behalf of, and other provisions for the benefit of, the Issuer contained in this Bond Indenture shall bind and inure to the benefit of such successors and assigns and shall bind and inure to the benefit of any officer, board, commission, issuer, agency or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the Issuer, or of its successors or assigns, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements or other provisions hereof.

Section 1.04 Content of Certificates and Opinions. Every certificate or opinion (other than legal opinions) provided for in this Bond Indenture with respect to compliance with any provision hereof shall be made on behalf of the entity named therein and not made individually by the person signing such certificate and shall include (1) a statement that the person making or giving such certificate or opinion, on behalf of the entity named therein and not individually, has

read such provision and the definitions herein relating thereto; (2) a brief statement as to the nature and scope of the examination or investigation upon which the entity's certificate or opinion is based; (3) a statement that the entity has made or caused to be made such examination or investigation as is necessary to enable the entity to express an informed opinion with respect to the subject matter referred to in the certificate or opinion which such entity is delivering; and (4) a statement as to whether, in the opinion of such person, such provision has been complied with.

Notwithstanding any provision hereof to the contrary, whenever any certificate or opinion is required by the terms of this Bond Indenture to be given by the Issuer on its own behalf, any such certificate or opinion may be made or given by an Authorized Issuer Representative (and in no event individually) and may be based (i) insofar as it relates to factual matters, upon a certificate of or representation by the Bond Trustee or the Borrower; and (ii) insofar as it relates to legal or accounting matters, upon a certificate or opinion of or representation by counsel or an accountant, in each case under clauses (i) and (ii) without further investigation or inquiry by such Authorized Issuer Representative or otherwise on behalf of the Issuer.

Any such certificate, opinion or representation made or given pursuant to this Bond Indenture may be based, insofar as it relates to legal or accounting matters, upon a certificate or opinion of or representation by counsel or an accountant, unless (except as provided in the immediately preceding paragraph) the Person giving the certificate, opinion or representation knows that the certificate, opinion or representation with respect to the matters upon which such certificate or statement may be based, as aforesaid, is erroneous in any material respect. Any such certificate or opinion made or given by counsel or an accountant may be based, insofar as it relates to factual matters (with respect to which information is in the possession of the Bond Trustee) upon a certificate or opinion of or representation by a Responsible Officer on behalf of the Bond Trustee (and not individually), unless such counsel or accountant knows, or in the exercise of reasonable care should have known, that the certificate or opinion or representation with respect to the matters upon which such Person's certificate or opinion or representation may be based, as aforesaid, is erroneous. The same Responsible Officer, or the same counsel or accountant, as the case may be, need not certify to all of the matters required to be certified under any provision of this Bond Indenture, but different representatives of such parties may certify to different matters.

ARTICLE II

LIMITED OBLIGATIONS

Section 2.01 Limited Obligations of the Issuer. Notwithstanding any other provision hereof, Bonds issued hereunder and any other obligations of the Issuer under this Bond Indenture shall be special limited obligations of the Issuer payable only from moneys available therefor under and in accordance with this Bond Indenture and any applicable Supplemental Bond Indenture.

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY OUT OF THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL

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PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE BONDS OR THIS BOND INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING SUCH BONDS BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE BONDS. THE ISSUER HAS NO TAXING POWER.

No recourse under or upon any obligation, covenant or agreement contained in the Bond Documents or the Borrower Documents, or under any judgment obtained against the Issuer, or the enforcement of any assessment, or any legal or equitable proceedings by virtue of any constitution or statute or otherwise, or under any circumstances under or independent of this Bond Indenture, or any claim based thereon or otherwise in respect thereof shall be had against the Sponsoring Political Subdivisions or the Issuer or any incorporator, member, director, officer, employee, agent or counsel as such, past, present or future of the Issuer, or the Sponsoring Political Subdivisions, either directly or through the Issuer, the Bond Trustee or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to the Beneficial Owner of any Bond issued hereunder, or otherwise, of any sum that may be due and unpaid by the Issuer upon any such Bond. Any and all personal liability of every nature whether at common law or in equity or by statute or by constitution or otherwise of any such incorporator, member, director, officer, employee, agent or counsel, as such, to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Registered Owner of any Bond issued hereunder or otherwise of any sum that may remain due and unpaid upon the Bond hereby secured or any of them is, by the acceptance hereof, expressly waived and released as a condition of and in consideration for the execution of this Bond Indenture and the issuance of the Bonds.

ARTICLE III

AUTHORIZATION AND ISSUANCE OF BONDS, GENERAL TERMS AND PROVISIONS OF THE BONDS

Section 3.01 Authorization of Bonds.

There are hereby authorized to be issued and shall be issued under and secured by this Bond Indenture a Series of Bonds designated as "Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc. Project)" in an aggregate original principal amount of $[__], and a Series of Bonds designated as "Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc. Project)" in an aggregate original principal amount of $[__].

Section 3.02 Provisions for Issuance of Bonds.

All (but not less than all of) of the Bonds shall be executed by the Issuer for issuance under this Bond Indenture and delivered to the Bond Trustee and thereupon shall be authenticated by the Bond Trustee and by it delivered upon the Order of the Issuer in Authorized Denominations.

Section 3.03 Application of Bond Proceeds and Other Funds.

(a) The proceeds received from the sale of the Series 2025A Bonds ($[__]), comprised of the aggregate principal amount of the Series 2025A Bonds, plus/less original issue premium/discount of $[__], less underwriter's discount of $[__] shall be paid to the Bond Trustee for deposit in trust as follows:

(1) $[_____], being an amount equal to the Senior Lien Debt Service Reserve Fund Requirement with respect to the Series 2025A Bonds, shall be deposited in the Senior Lien Debt Service Reserve Fund;

(2) $[_____] shall be deposited in the Costs of Issuance Account of the Project Fund and applied to Costs of Issuance;

(3) $[_____], shall be deposited in the Series 2025A Capitalized Interest Account of the Project Fund; and

(4) $[_____], being the balance of the proceeds of the Series 2025A Bonds received on the Closing Date, shall be deposited in the Acquisition Account of the Project Fund and an amount equal to $[_____] of such amount shall be immediately transferred to the Master Trustee for deposit in the Operating Reserve Fund with the remainder applied to the costs of the acquisition of the Projects.

(b) The aggregate principal amount of the Series 2025B Bonds, $[__], shall be delivered as part of the purchase price of the Projects.

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Section 3.04 Medium of Payment; Form and Date; Letter and Numbers.

(a) The Bonds shall be payable, as to principal and interest in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest on the Bonds shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

(b) Each Bond shall be issued only as a fully registered Bond. Each Series 2025A Bond shall be substantially in the form of Exhibit A hereto, with such changes therein that are not inconsistent with this Bond Indenture. Each Series 2025B Bond shall be substantially in the form of Exhibit B hereto, with such changes therein that are not inconsistent with this Bond Indenture.

(c) The Series 2025A Bonds shall be numbered consecutively from RA-1 upward, and the Series 2025B Bonds shall be numbered consecutively from RB-1 upward, or in such other manner as the Issuer, with the concurrence of the Bond Trustee, shall determine. The Bond Trustee shall insert the date of authentication of each Bond in the place provided for such purpose in the form of certificate of authentication of the Bond Trustee to be printed on each Bond. If interest on the Bonds shall be in default, Bonds issued in exchange for Bonds surrendered for transfer or exchange shall be dated as of the date to which interest has been paid in full on the Bonds surrendered.

(d) The Series 2025A Bonds shall be dated the Closing Date, shall be issued in two series as set forth below, shall be current interest bonds issued as term bonds in Authorized Denominations, shall be issued at the annual interest rates set forth below, payable each January 1 and July 1, commencing January 1, 2026, and shall mature, subject to prior redemption, as follows:

Maturity Date	Principal Amount	Interest Rate
	$	%

(e) The Series 2025B Bonds shall be dated the Closing Date, shall be current interest bonds issued as term bonds in Authorized Denominations, shall be issued at the annual interest rate set forth below, payable each January 1 and July 1, commencing January 1, 2026, but only to the extent funds are available to make such payments and, if not, such interest shall accrue but not compound, and shall mature, subject to prior redemption, as follows:

Maturity Date	Principal Amount	Interest Rate
	$	%

(f) [Reserved].

(g) [Reserved].

(h) The following provisions apply to the Bonds except as otherwise provided in any arrangements with DTC as set forth in Section 3.14:

(1) interest on Bonds other than interest payable at maturity or on a Redemption Date shall be paid to the Person in whose name such Bond is registered on the Register at the close of business on the Record Date for such Interest Payment Date; payment of interest on Bonds other than interest payable at maturity or on a Redemption Date shall be made by check of the Bond Trustee mailed to the Owners thereof at their addresses set forth in the Register as of the Record Date, or by wire transfer to Owners of $1,000,000 or more in aggregate principal amount of Bonds at such wire transfer address in the United States as such Owner shall specify in writing requesting payment by wire transfer delivered to the Bond Trustee prior to the Record Date;

(2) payment of principal of Bonds at maturity or on a Redemption Date shall be paid upon presentation and surrender of such Bonds at the Bond Trustee's Designated Office; and

(3) no payment of principal shall be made on any Bond unless and until such Bond is tendered to the Bond Trustee for cancellation; provided, that the Bond Trustee may agree with any Owner that such Owner may, in lieu of surrendering the same for a new Bond, endorse on such Bond a record of partial payment of the principal of such Bond and the Bond Trustee will pay the principal of such Bond by wire transfer to such Owner in accordance with the wire transfer instructions provided to the Bond Trustee from time to time. The Bond Trustee shall maintain a record of each such partial payment made in accordance with the foregoing agreement and such record shall be conclusive. Such partial payment shall be valid upon payment of the amount thereof to the Owner of such Bond, and the Issuer and the Bond Trustee shall be fully released and discharged from all liability to the extent of such payment irrespective of whether such endorsement shall or shall not have been made upon such Bond by the Owner thereof and irrespective of any error or omission in such endorsement.

(i) Notwithstanding any provision herein to the contrary, at no time, whether as a result of an Event of Default or otherwise, shall the interest on the Bonds exceed the Maximum Rate.

Section 3.05 Legends. The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Bond Indenture as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission, brokerage board, municipal securities rulemaking board, DTC operational procedures, the Act, the policies and procedures of the Issuer, or otherwise, including without limitation a legend setting forth the restrictions on transfer under Section 3.08.

Section 3.06 Execution and Authentication.

(a) The Bonds shall be signed in the name of the Issuer by an Authorized Issuer Representative or by his or her manual or facsimile signature. In case any such Authorized Issuer Representative which shall have signed any of the Bonds shall cease to hold such office before the Bonds so signed shall have been authenticated and delivered by the Bond Trustee, such Bonds may, nevertheless, be authenticated and delivered as herein provided, and may be issued as if the persons who signed such Bonds had not ceased to hold such offices. Any Bond of a Series may be signed on behalf of the Issuer by such persons who at the time of the execution of such Bonds shall be duly appointed as an Authorized Issuer Representative, although at the date borne by or of delivery of the Bond or Bonds of such Series such persons may not have been so appointed.

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(b) Only such Bonds as shall have endorsed thereon a certificate of authentication, substantially in the form set forth in Exhibit A hereto with respect to the Series 2025A Bonds, Exhibit B hereto with respect to the Series 2025B Bonds, dated as of the date of authentication and duly authenticated by the Bond Trustee shall be entitled to any right, security or benefit under this Bond Indenture. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Bond Trustee, and such executed certificate upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Bond Indenture and that the Owner thereof is entitled to the benefits of the trust hereby created. The Bond Trustee's certificate of authentication on any Bond shall be deemed to have been duly executed by it if (i) signed by an authorized officer or signatory of the Bond Trustee, but it shall not be necessary that the same officer or signatory sign the certificate of authentication on all of the Bonds or on all of the Bonds of any Series issued hereunder and (ii) the date of authentication of the Bond is inserted in the place provided therefor on the certificate of authentication.

Section 3.07 Exchange of Bonds. Unless otherwise provided in any Supplemental Bond Indenture, Bonds, upon surrender thereof at the designated office of the Registrar, when surrendered with a Request satisfactory to the Registrar duly executed by the Owner or the Owner's duly authorized attorney, may, at the option of the Owner thereof, and upon payment by such Owner of any charges which the Registrar or the Issuer may make as provided in Section 3.09, be exchanged for an equal aggregate principal amount of Bonds of the same Series, lien priority and maturity and in any Authorized Denomination.

Section 3.08 Negotiability, Transfer and Registry. Unless otherwise provided in any Supplemental Bond Indenture, Bonds shall be transferable only upon the Register, which shall be kept for that purpose at the designated office of the Registrar for such Series of Bonds, by the Owner thereof, in person or by the Owner's attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the Owner or the Owner's duly authorized attorney.

The Registrar shall keep or cause to be kept, on behalf of the Issuer, the Register, in which, subject to such reasonable regulations as the Issuer, the Bond Trustee, and the Registrar may prescribe, the Registrar shall cause Bonds to be registered and shall transfer Bonds as in this Article provided. The Register shall contain the name and address of the Owner of each Bond. Upon the transfer of any such Bond and payment of any required fees, the Registrar shall issue in the name of the transferee a new fully registered Bond or Bonds of the same aggregate principal amount, Series, lien priority and maturity as the surrendered Bond.

The Issuer and the Bond Trustee may deem and treat the person in whose name any Bond shall be registered in the Register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price of and interest on such Bond and for all other purposes, and all such payments so made to any such Owner or upon the Owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and the Issuer and the Bond Trustee shall not be affected by any notice to the contrary.

Notwithstanding any provision of this Bond Indenture to the contrary, each initial Beneficial Owner of the Series 2025A Bonds shall be a Qualified Institutional Buyer or Accredited Investor, which initial Qualified Institutional Buyer or Accredited Investor has provided an Investor Letter to the Bond Trustee and Issuer upon its initial purchase of any Series 2025A Bond. Such Investor Letter shall be substantially in the form set forth in Exhibit C attached hereto.

Notwithstanding any provision of this Bond Indenture to the contrary, each initial Beneficial Owner of the Series 2025B Bonds shall be a Qualified Institutional Buyer or Accredited Investor, which initial Qualified Institutional Buyer or Accredited Investor has provided an Investor Letter to the Bond Trustee and Issuer upon its initial purchase of any Series 2025B Bond. Such Investor Letter shall be substantially in the form set forth in Exhibit C attached hereto.

Thereafter, the Bonds may only be sold or transferred in Authorized Denominations to Qualified Institutional Buyers or Accredited Investors which, with respect to the Series 2025B Bonds only, have provided an Investor Letter substantially in the form set forth in Exhibit C attached hereto to the Bond Trustee and Issuer upon its purchase of such Series 2025B Bond and, if such sale or transfer occurs prior to January 1, 2033, the purchaser or transferee of such Series 2025B Bonds shall be Trinity Investors, LLC, a Texas limited liability company, or any successor or affiliate thereof; provided, however, in the event (i) the Bond Trustee and the Issuer have received an Investment Grade Notice, and (ii) the Trustee has received the authorization and direction of the Issuer to remove the above described transfer restrictions, the restrictions with respect to sale or transfer to Qualified Institutional Buyers and, with respect to the Series 2025A Bonds and the Series 2025B Bonds only, Accredited Investors shall no longer apply during the Investment Grade Period. Notice of the foregoing restrictions shall be printed on each Bond.

Any purported transfer of a Bond in violation of the foregoing restrictions shall be void *ab initio*.

Section 3.09 Exchanges and Transfers. Except as otherwise provided in any Supplemental Bond Indenture, in all cases in which the privilege of exchanging or transferring Bonds is exercised, the Issuer shall execute and the Bond Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Bond Indenture. All registered Bonds surrendered in any exchange or transfer shall forthwith be canceled by the Bond Trustee. For every such transfer of Bonds pursuant to Section 3.08, whether temporary or definitive, the Issuer, the Bond Trustee or the Registrar may make a charge sufficient to reimburse it or them for any expense, tax, fee or other governmental charge required to be paid with respect to such transfer. In addition, for every exchange of Bonds (other than the exchange of temporary Bonds for definitive Bonds), the Issuer, the Bond Trustee or the Registrar may make charges to cover the costs of printing Bonds including any Issuer's, Bond Trustee's or Registrar's charges in connection therewith. The payment of the sum or sums provided in this Section shall be made by the Owner requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Except as may be otherwise provided in a Supplemental Bond Indenture, the Registrar shall not be required to transfer or exchange Bonds for a period from the 15th day of the month next preceding any Interest Payment Date or Principal Payment Date of such Bond through such Interest Payment Date or Principal Payment Date nor to transfer or exchange any Bond after notice calling such Bond or portion thereof for redemption has been given as herein provided nor during the period of 15 days next preceding the giving of such notice.

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Section 3.10 Conditions for Delivery of the Bonds. At any time after the execution and delivery of this Bond Indenture, the Issuer may execute and the Bond Trustee shall authenticate and, upon the order of the Issuer, deliver Bonds in the aggregate principal amount set forth in Section 3.01(a) hereof.

Prior to the delivery by the Bond Trustee of any of the Bonds, there shall be filed with the Bond Trustee:

(a) A copy of the resolution of the Governing Body of the Borrower authorizing the issuance of the Bonds and the execution and delivery of the Borrower Documents;

(b) A certified copy of the resolution(s) of the Issuer authorizing the issuance of the Bonds and the execution and delivery of the Loan Agreement and this Bond Indenture;

(c) A copy of the Loan Agreement and this Bond Indenture;

(d) A copy of the written request of and authorization by the Issuer to the Bond Trustee to authenticate and deliver the Bonds;

(e) The approving Opinion of Bond Counsel delivered in connection with the issuance of the Bonds and any reliance letter relating thereto;

(f) Executed and authenticated Obligations; and

(g) Executed Investor Letters from the initial purchasers substantially in the form attached hereto as Exhibit C, with such modifications as may be approved by the Issuer.

Section 3.11 Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bonds shall become mutilated or be destroyed, stolen or lost, the Issuer shall execute, and thereupon the Bond Trustee shall authenticate and deliver, a new Bond of like Series, lien priority, maturity date, principal amount and interest rate as the Bond so mutilated, lost, stolen or destroyed, provided that (a) in the case of any mutilated Bond, such Bond is first surrendered to the Bond Trustee, (b) in the case of any lost, stolen or destroyed Bond, there is first furnished evidence of such loss, theft or destruction satisfactory to the Bond Trustee together with indemnity satisfactory to the Bond Trustee, (c) all other requirements of the Issuer and the Bond Trustee are complied with, and (d) expenses in connection with such transaction are paid by the Owner. Except as provided in Section 3.09, all Bonds so surrendered to the Bond Trustee shall be canceled by it. Any such new Bonds issued pursuant to this Section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Issuer, whether or not the Bonds alleged to be destroyed, stolen or lost be at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits in the Revenues and other assets pledged under this Bond Indenture with all other Bonds issued under this Bond Indenture, to the same extent provided herein and subject to the terms and priority set forth herein. If, after the delivery of such new Bond, a bona fide purchaser of the original Bond in lieu of which such new Bond was issued presents for payment or registration such original Bond, the Bond

Trustee shall be entitled to recover such new Bond from the Person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Issuer or the Bond Trustee in connection therewith.

Section 3.12 Temporary Bonds. Until the definitive Bonds of any Series are prepared, the Issuer may execute, in the same manner as is provided in Section 3.06, and, upon the Request of the Issuer, the Bond Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds except as to denomination, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in Authorized Denominations as provided herein or in a Supplemental Bond Indenture, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Issuer, at Borrower's expense, shall prepare and execute and, upon the surrender of such temporary Bonds, the Bond Trustee shall authenticate and, without charge to the Owner thereof, deliver in exchange therefor, definitive Bonds of the same aggregate principal amount and Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds authenticated and issued pursuant to this Bond Indenture.

If the Issuer shall authorize the issuance of temporary Bonds in more than one denomination, the Owner of any temporary Bond or Bonds may, at said Owner's option, surrender the same to the Bond Trustee in exchange for another temporary Bond or Bonds of like aggregate principal amount, Series, lien priority and maturity of any other Authorized Denomination or Denominations, and thereupon the Issuer shall execute and the Bond Trustee shall authenticate and, in exchange for the temporary Bond or Bonds so surrendered and upon payment of the taxes, fees and charges as provided for in Section 3.09, shall deliver a temporary Bond or Bonds of like aggregate principal amount, Series and maturity in such other Authorized Denomination or Denominations as shall be requested by such Owner.

All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith canceled by the Bond Trustee.

Section 3.13 Cancellation and Destruction of Bonds. Except as otherwise provided in this Bond Indenture or any Supplemental Bond Indenture, all Bonds paid in full, either at or before maturity, shall be delivered to the Bond Trustee when such payment or purchase is made, and such Bonds shall thereupon be promptly canceled. Bonds so canceled shall thereafter be treated in accordance with the Bond Trustee's document retention policies.

Section 3.14 Depository for the Bonds. (a) The Series 2025A Bonds (the "Series 2025 DTC Bonds") shall be initially executed and delivered in the form of a separate, single, authenticated, fully registered bond for each separate stated maturity of each series of the Series 2025 DTC Bonds, each such bond to be in the full principal amount of such series of Series 2025 DTC Bonds with such stated maturity. Upon initial execution, authentication and delivery, the ownership of such Series 2025 DTC Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC, the Depository for the Series 2025 DTC Bonds. The Bond Trustee and the Issuer may treat DTC (or its nominee) as the sole and exclusive Owner of the Series 2025 DTC Bonds registered in its name for the purposes of payment of the principal of and

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interest on the Series 2025 DTC Bonds, selecting the Series 2025 DTC Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Owners of Series 2025 DTC Bonds under this Bond Indenture, registering the transfer of Series 2025 DTC Bonds, obtaining any consent or other action to be taken by the Owner of Series 2025 DTC Bonds and for all other purposes whatsoever, and neither the Bond Trustee nor the Issuer shall be affected by any notice to the contrary. Neither the Bond Trustee nor the Issuer shall have any responsibility or obligation to any Participant, any Person claiming a beneficial ownership interest in the Series 2025 DTC Bonds under or through DTC or any Participant, or any other Person, with respect to the accuracy of any records maintained by DTC or any Participant; the payment by DTC or any Participant of any amount in respect of the principal of or interest on the Series 2025 DTC Bonds; any notice that is permitted or required to be given to the Owners of the Series 2025 DTC Bonds under this Bond Indenture; the selection by DTC or any Participant of any Person to receive payment in the event of a partial redemption of the Series 2025 DTC Bonds; or any consent given or other action taken by DTC (or its nominee) as the Owner of the Series 2025 DTC Bonds. So long as DTC (or its nominee) is the Owner of all Series 2025 DTC Bonds, the Bond Trustee shall pay all principal of, and interest on, the Series 2025 DTC Bonds only to DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to the principal of and interest on the Series 2025 DTC Bonds to the extent of the sum or sums so paid and all notices required to be sent to the Owners may be sent by electronic means. Except under the conditions specified in subsection (b) of this Section, no Person other than DTC or its nominee shall receive authenticated Series 2025 DTC Bonds. Upon delivery by DTC to the Bond Trustee of written notice to such effect, DTC may substitute a new nominee in place of Cede & Co., or any successor nominee, and subject to the provisions herein with respect to record dates, the term "Cede & Co." in this Bond Indenture shall refer to such new nominee of DTC.

(b) If (i) DTC or any successor as Depository for the Series 2025 DTC Bonds determines not to continue to act as Depository for such Bonds or (ii) the Issuer determines that the incumbent Depository for the Series 2025 DTC Bonds shall no longer so act, and the Issuer delivers a Certificate of an Authorized Issuer Representative to the Bond Trustee to that effect, then the Bond Trustee shall discontinue the book-entry system with the incumbent Depository for the Series 2025 DTC Bonds. If the Bond Trustee determines to replace the incumbent Depository for the Series 2025 DTC Bonds with another Depository, the Bond Trustee shall prepare or direct the preparation of a new single, separate fully registered Series 2025 DTC Bond for the aggregate outstanding principal amount of Series 2025 DTC Bonds of each maturity to be registered in the name of such successor Depository, or its nominee, or make such other arrangements acceptable to the Issuer, the Bond Trustee and the successor Depository for the Series 2025 DTC Bonds as are not inconsistent with the provisions of this Bond Indenture. If the Bond Trustee fails to identify a successor Depository for the Series 2025 DTC Bonds to replace the incumbent Depository, then the Series 2025 DTC Bonds shall no longer be restricted to being registered in the bond register in the name of the incumbent Depository or its nominee, but shall be registered in whatever name or names the incumbent Depository for the Series 2025 DTC Bonds, or its nominee, shall designate in accordance with the provisions of subsection (a) of this Section. In such event the Issuer shall, at Borrower's expense, prepare, execute and deliver a sufficient quantity of Series 2025 DTC Bonds to the Bond Trustee for authentication and delivery at the Direction of the Issuer to carry out the transfers and exchanges provided in this Section and Section 3.09. All such Series 2025 DTC Bonds shall be in fully registered form in Authorized Denominations.

(c) Notwithstanding any other provision of this Bond Indenture to the contrary, so long as any Bond is registered in the name of DTC, or its nominee, all payments with respect to principal of and interest on, such Bond, and all notices with respect to such Bond, shall be made and given, respectively, as appropriate or necessary with respect to the arrangements made with DTC relating to the Bonds.

(d) In connection with any notice or other communication to be provided to Owners of the Series 2025 DTC Bonds pursuant to this Bond Indenture by the Issuer or the Bond Trustee with respect to any consent or other action to be taken by Owners of the Series 2025 DTC Bonds, the Issuer or the Bond Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than 15 calendar days in advance of such record date to the extent practicable.

ARTICLE IV

REDEMPTION OF BONDS

Section 4.01 Privilege of Redemption and Redemption Price. Bonds subject to redemption prior to maturity shall be redeemable, upon notice as provided in this Article on such Redemption Dates, at such Redemption Prices and upon such terms, as may be specified herein.

Section 4.02 Redemption at the Option of the Issuer.

(a) The Series 2025A Bonds shall be subject to redemption at the option of the Issuer as directed by the Borrower, in whole or in part on any date on or after _____ 1, 2035, from any legally available funds, at a Redemption Price equal to 100% of the principal amount of Series 2025A Bonds called for redemption, without premium, plus accrued interest with respect thereto to the date fixed for redemption.

(b) The Series 2025B Bonds shall be subject to redemption at the option of the Issuer as directed by the Borrower, in whole or in part on any date, from any legally available funds on deposit in the Junior Lien Redemption Account of the Debt Service Fund, at a Redemption Price equal to 100% of the principal amount of Series 2025B Bonds called for redemption, without premium, plus accrued interest with respect thereto to the date fixed for redemption; provided, however, at no time while the Series 2025A Bonds remain Outstanding shall the Series 2025B Bonds be redeemed pursuant to this paragraph (b) in an amount that would result in the principal amount of Series 2025B Bonds Outstanding following such redemption to be less than the total amount necessary for such Series 2025B Bonds to represent a lower proportionate amount of the total Bonds Outstanding than the Series 2025B Bonds represented on the Closing Date (*i.e.*, if, on the Closing Date, the Series 2025B Bonds represented 10% of the total amount of the Bonds, the Series 2025B Bonds must remain Outstanding in an amount sufficient to represent at least 10% of the Bonds Outstanding at any time until such time as the Series 2025A Bonds are no longer Outstanding).

(c) In the case of any redemption of Bonds at the option of the Issuer as directed by the Borrower, an Authorized Representative of the Borrower shall give written notice to the Bond Trustee and the Issuer at the Direction of the Borrower to so redeem, of the Redemption

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Date, of the Series, and of the principal amounts of the Bonds of each maturity of such Series to be redeemed (which Series, maturities, and principal amounts thereof to be redeemed shall be determined by the Issuer in its sole discretion, subject to any limitations with respect thereto as are contained in Section 4.04 hereof). Such notice shall be given at least ten Business Days prior to the date on which notice of redemption is required to be given to the Owners of the Bonds to be redeemed or within such shorter period as shall be provided by Supplemental Bond Indenture or consented to by the Bond Trustee. On or prior to any Redemption Date, there shall be paid to the Bond Trustee for deposit into the appropriate Redemption Account an amount which, in addition to other moneys, if any, available therefor held by the Bond Trustee, will be sufficient to redeem on the Redemption Date at the Redemption Price, plus interest accrued and unpaid to the Redemption Date, all of the Bonds called for redemption. Upon such written Direction by the Borrower to the Bond Trustee, the Issuer shall be deemed, without any further action on the Issuer's part, to have exercised its option to redeem the Bonds under this Section.

Section 4.03 Redemption Other Than at the Option of the Issuer.

(a) *Sinking Fund Redemption.*

(1) The Series 2025A Bonds are subject to mandatory redemption, at a Redemption Price equal to the principal amount of the Series 2025A Bonds being redeemed, together with accrued interest thereon to the Redemption Date, pursuant to Mandatory Sinking Fund Installments on January 1 in each of the years and principal amounts set forth in the tables below, except that the Mandatory Sinking Fund Installments of Series 2025A Bonds shall be reduced in chronological order by the principal amount of any Series 2025A Bonds redeemed pursuant to any other optional or mandatory redemption provision on or before the date on which any such Mandatory Sinking Fund Installment is due:

(i) The Series 2025A Bonds maturing on January 1, 20__, are subject to mandatory redemption from Mandatory Sinking Fund Installments in the following amounts on January 1 of each year as follows:

Date	Mandatory Sinking Fund Installment $	Date	Mandatory Sinking Fund Installment $

(2) The Series 2025B Bonds are not subject to mandatory redemption from Mandatory Sinking Fund Installments.

(b) *Extraordinary Redemption.*

(1) The Bonds shall be subject to extraordinary redemption, in whole or in part, on any date, at a Redemption Price equal to the principal amount of Bonds to be redeemed plus interest accrued thereon, if applicable, to the date fixed for redemption, without premium, from proceeds of insurance (including any title insurance), or condemnation awards permitted or required to be applied to prepayments under the Loan Agreement, Master Trust Indenture and Supplemental MTIs. The Bonds and particular maturities thereof to be redeemed shall be selected pursuant to a Direction of the Borrower, based upon the advice of Bond Counsel.

(2) The Tax-Exempt Bonds, other than any Tax-Exempt Bonds that are Series 2025B Bonds, shall be subject to extraordinary mandatory redemption, in whole or in part, on any date not later than one hundred days following a Determination of Taxability. If such Tax-Exempt Bonds are be redeemed in part, such Tax-Exempt Bonds and maturities thereof to be redeemed shall be selected pursuant to a Direction of the Borrower, together with an Opinion of Bond Counsel to the effect that such redemption will not, in and of itself, adversely affect the exclusion from gross income of interest on the Tax-Exempt Bonds remaining Outstanding, other than any Tax-Exempt Bonds that are Series 2025B Bonds, after such redemption for federal income tax purposes. The Redemption Price for the Tax-Exempt Bonds shall be equal to 105% of the principal amount of Tax-Exempt Bonds called for redemption plus accrued interest with respect thereto to the date fixed for redemption.

(c) *Surplus Cash Flow Redemption*. The Series 2025A Bonds shall be subject to redemption in inverse order of maturity on each July 1 on and after July 1, 2028, in an amount equal to the amount set forth in the written notice delivered to the Bond Trustee by the Obligated Group Representative pursuant to Section 4.05(e) of the Master Indenture, at a Redemption Price equal to the principal amount of Series 2025A Bonds to be redeemed, without premium, plus accrued interest with respect thereto to the date fixed for redemption.

Section 4.04 Selection of Bonds to be Redeemed. If less than all of the Bonds of a single maturity within the same Series are to be redeemed, the Bonds of such Series to be redeemed will be selected by lot or other random method by the Bond Trustee in such a manner as the Bond Trustee may determine; provided, that the portion of any Bond of a Series of a denomination greater than the minimum Authorized Denomination for the Bonds of such Series to be redeemed shall be redeemed in part only in an Authorized Denomination and that, in selecting portions of Bonds of a Series for redemption, the Bond Trustee shall treat each Bond of such Series as representing that number of Bonds of the minimum Authorized Denomination for such Series which is obtained by dividing the principal amount of such Bond to be redeemed in part by the minimum Authorized Denomination for such Series.

Section 4.05 Notice of Redemption.

(a) Notice of mandatory and optional redemption of Bonds shall be given in accordance with this Section. When the Bond Trustee and the Issuer shall have received from the Borrower a Direction to redeem Bonds or when the Bonds are redeemable pursuant to Section 4.03(a) or Section 4.03(c), the Bond Trustee shall give notice, in the name of the Issuer, of the redemption of such Bonds, which notice shall specify the Series and maturities of the Bonds to be redeemed, the Redemption Date and the place or places where amounts due upon such Redemption Date will be payable and, if less than all of the Bonds of any like Series and maturity are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds so to be redeemed, and, in the case of Bonds to be redeemed in part only, such notices shall also specify the respective portions of the principal amounts thereof to be redeemed. Such notice may state that it is conditional and that any redemption under Section 4.02 hereof shall be made only from and to the extent of funds on deposit with the Bond Trustee and available for such purpose on the Redemption Date. Such notice shall further state that on such Redemption Date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof, in the case of Bonds to be redeemed in part only,

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together with interest accrued to the Redemption Date, and that from and after such date interest thereon shall cease to accrue and be payable. The Bond Trustee shall mail a copy of such notice, first class mail postage prepaid, not less than 30 days nor more than 60 days before the Redemption Date (or such shorter period as shall be provided by Supplemental Bond Indenture), to the Owners of any registered Bonds, or portions of registered Bonds that are to be redeemed, at their last addresses, if any, appearing upon the Register. Upon the delivery of such written Direction by the Borrower to the Bond Trustee, the Issuer shall be deemed, without any action on the Issuer's part, to have exercised its option to redeem the Bonds under this Article.

(b) In addition to the notice of redemption required pursuant to the preceding paragraph, upon the Direction of the Borrower received at least 35 days before the date fixed for redemption by the Bond Trustee, the Bond Trustee shall also give redemption notice at least 30 days before the date fixed for redemption, by (i) registered or certified mail, return receipt requested, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to the Securities Depositories.

(c) The Borrower may, at its option at least 5 days prior to the date fixed for redemption in any notice of redemption, rescind and cancel such notice of redemption by Request to the Bond Trustee, with a copy to the Issuer, and the Bond Trustee shall distribute, in the same manner as the original notice, notice of such cancellation to the recipients of the notice of redemption being cancelled.

(d) Failure to give the notices described in this Section, or any defects therein, shall not in any manner affect the validity of any proceedings for redemption of any other Bonds for which such notice has been duly given, or for the rescission of such redemption notice. Neither the Issuer nor the Bond Trustee shall have any responsibility for any defect in the CUSIP number that appears on any Bonds or in any redemption notice with respect thereto, and any such redemption notice may contain a statement to the effect that CUSIP numbers have been assigned by an independent service for convenience of reference and that neither the Issuer nor the Bond Trustee shall be liable for any inaccuracy in such numbers.

(e) Except with respect to a mandatory redemption pursuant to Section 4.03(a) hereof, in the event of any redemption of Bonds hereunder, the Bond Trustee shall provide written notice to the Issuer of such redemption with the information specified in Section 4.05(a).

Section 4.06 Payment of Redeemed Bonds. Notice having been given in the manner provided in Section 4.05, the Bonds or portions thereof so called for redemption shall become due and payable on the Redemption Date so designated at the Redemption Price, plus interest accrued and unpaid to the Redemption Date, and upon presentation and surrender thereof at the office specified in such notice. If there shall be called for redemption less than all of the principal of any Bond, the Issuer shall execute and the Bond Trustee shall authenticate, upon the surrender of such Bond, without charge to the Owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered, Bonds of like Series and maturity in any Authorized Denomination. If, on the Redemption Date, moneys for the redemption of all the Bonds or portions thereof of any like Series and maturity to be redeemed, together with interest to the Redemption Date, shall be held by the Bond Trustee so as to be available therefor on said date and if notice of redemption

shall have been given as aforesaid, then, from and after the Redemption Date interest on the Bonds or portions thereof of such Series and maturity so called for redemption shall cease to accrue and become payable. If such moneys shall not be so available on the Redemption Date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne interest at had they not been called for redemption.

ARTICLE V

PLEDGE AND ASSIGNMENT; ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 5.01 Security for Bonds.

(a) Subject only to the provisions of this Bond Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, there are hereby pledged to secure the payment of the principal of, Redemption Price, if any, and interest on the Senior Lien Bonds, and subject to the priority of the Senior Lien Bonds over the Junior Lien Bonds, to secure the payment of the principal of, Redemption Price, if any, and interest on the Junior Lien Bonds, in accordance with their terms and the provisions of this Bond Indenture, all of the (i) Revenues and (ii) any other amounts (including proceeds of the sale of Bonds, but excluding payments made pursuant to Issuer's Reserved Rights) held by the Bond Trustee in any Fund or Account established pursuant to this Bond Indenture (other than the Rebate Fund).

(b) The Issuer hereby transfers in trust, grants a security interest in and assigns to the Bond Trustee in trust, for the benefit of the Holders from time to time of the Bonds, all of the Revenues and other assets pledged in subsection (a) of this Section and all of the right, title and interest of the Issuer in the Loan Agreement (except for Issuer's Reserved Rights) and the Obligations (collectively, the "Trust Estate"). The Issuer will cause the Obligations to be registered in the name of the Bond Trustee. The assignment hereunder is to the Bond Trustee solely in its capacity as Bond Trustee hereunder and subject to the provisions of this Bond Indenture and in taking or refraining from taking any action under the Loan Agreement pursuant to such assignment, the Bond Trustee shall be entitled to all of the rights, protections and limitations from liability afforded it as Bond Trustee under this Bond Indenture. Subject to the foregoing, the Bond Trustee shall be entitled to and shall, subject to the provisions of this Bond Indenture, take all steps, actions and proceedings reasonably necessary in its judgment to enforce all of the rights of the Issuer and all of the obligations of the Borrower under the Loan Agreement and the Obligations, other than Issuer's Reserved Rights.

(c) Except as otherwise explicitly provided in this Bond Indenture, all Revenues shall be promptly deposited by the Bond Trustee upon receipt thereof in the Revenue Fund which the Bond Trustee shall establish, maintain and hold in trust, except as otherwise provided in Sections 5.08 and 5.09 and except that all moneys received by the Bond Trustee and required by the Loan Agreement to be deposited in the Redemption Accounts shall be promptly deposited in such Accounts. All Revenues deposited with the Bond Trustee shall be held, disbursed, allocated and applied by the Bond Trustee only as provided in this Bond Indenture.

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SUBJECT ONLY TO THE RIGHTS OF THE ISSUER TO APPLY AMOUNTS UNDER THE PROVISIONS OF THIS BOND INDENTURE, THE PLEDGE AND ASSIGNMENT MADE UNDER THIS SECTION 5.01 SHALL IMMEDIATELY ATTACH THERETO AND SHALL BE EFFECTIVE, BINDING AND ENFORCEABLE FROM AND AFTER THE TIME OF THE DELIVERY BY THE BOND TRUSTEE OF THE FIRST BONDS AUTHENTICATED AND DELIVERED UNDER THIS BOND INDENTURE. THE SECURITY SO PLEDGED AND ANY ASSIGNMENT THEN OR THEREAFTER RECEIVED BY BOND TRUSTEE FROM THE ISSUER AS SECURITY FOR THE BONDS SHALL IMMEDIATELY BE SUBJECT TO THE LIEN OF SUCH PLEDGE AND ASSIGNMENT AND THE LIEN OF SUCH PLEDGE AND ASSIGNMENT SHALL BE VALID AND BINDING AGAINST THE ISSUER, PURCHASERS THEREOF, CREDITORS AND ALL OTHER PARTIES HAVING CLAIMS AGAINST THE ISSUER IRRESPECTIVE OF WHETHER SUCH PARTIES HAVE NOTICE THEREOF AND WITHOUT THE NEED FOR ANY PHYSICAL DELIVERY, RECORDATION, FILING, OR FURTHER ACT.

Section 5.02 Establishment of Funds and Accounts. The Issuer hereby directs the Bond Trustee to establish the following Funds and Accounts, all of which shall be held by the Bond Trustee:

(a) "Project Fund," and within such fund a "Costs of Issuance Account", a "Series 2025A Capitalized Interest Account", an "Acquisition Account" and a "Construction Account";

(b) "Revenue Fund";

(c) "Debt Service Fund," and within such fund a "Senior Lien Interest Account", "Senior Lien Principal Account", a "Senior Lien Redemption Account", a "Junior Lien Interest Account", "Junior Lien Principal Account" and a "Junior Lien Redemption Account";

(d) "Senior Lien Debt Service Reserve Fund"; and

(e) "Rebate Fund".

At the Direction of the Issuer or the Borrower, the Bond Trustee may create any other Funds or Accounts hereunder, to be held in trust for the benefit of the Owners of the Bonds, to carry out the purposes of this Bond Indenture; provided, that the creation of any such Funds or Accounts shall not adversely affect the rights of any Owner or affect the rights and obligations of the Bond Trustee or the Issuer or Issuer Indemnified Parties, without the prior written consent of the Controlling Party or the Issuer, as the case may be, and provided that the Issuer will cause to be delivered to the Bond Trustee an opinion of counsel confirming the creation of such Fund or Account will not, in and of itself, cause the interest on any of the Tax-Exempt Bonds to become includable in gross income for federal income tax purposes.

Section 5.03 Project Fund.

(a) The Bond Trustee shall deposit into the accounts of the Project Fund the amounts required to be so deposited by Section 3.03.

(b) On the Closing Date, the Bond Trustee shall transfer from the Acquisition Account of the Project Fund, $[__] at the Direction of the Borrower for the acquisition of the Projects.

(c) On the Closing Date, the Bond Trustee shall transfer from the Costs of Issuance Account of the Project Fund, $[__] at the Direction of the Borrower to pay Costs of Issuance.

(d) On the last Business Day prior to each Interest Payment Date occurring on January 1, 2026, July 1, 2026 and July 1, 2027, the Bond Trustee shall transfer the amount set forth below with respect to such date from the Series 2025A Capitalized Interest Account to the Senior Lien Interest Account of the Debt Service Fund for the payment of interest on the Series 2025A Bonds:

Interest Payment Date	Amount to be transferred
January 1, 2026	$
July 1, 2026	
July 1, 2027	

(e) To the extent that any funds remain on deposit in the Acquisition Account or the Costs of Issuance Account of the Project Fund on [_____, 2025], the Bond Trustee shall promptly transfer such funds to the Senior Lien Interest Account of the Debt Service Fund.

Section 5.04 Deposit to Revenue Fund; Flow of Funds. Subject to Section 5.01(c), Section 5.08 and Section 5.09, all Revenues received by the Bond Trustee shall be deposited into the Revenue Fund.

Except as otherwise provided in Sections 5.06 and 9.05 hereof, promptly after receipt of any funds into the Revenue Fund, but in any event within two (2) Business Days of such receipt, the Bond Trustee shall make the deposits, transfers or payments indicated below from amounts then on deposit in the Revenue Fund, in the priority listed below, the requirements of each fund, deposit, transfer or payment of each priority to be fully satisfied, leaving no deficiencies, prior to any deposit, transfer or payment later in priority, unless as otherwise expressly provided below and, in each case, taking into account any funds already on deposit in such fund:

First, to the Senior Lien Interest Account of the Debt Service Fund, an amount equal to the interest to become due and payable on each Series of Outstanding Senior Lien Bonds, on the next Interest Payment Date, taking into account any funds on deposit in a Capitalized Interest Account scheduled to be transferred prior to such Interest Payment Date pursuant to Section 5.03;

Second, with respect to each deposit made in January, commencing with the deposit made in January 20__, to the Senior Lien Principal Account of the Debt Service Fund, an amount equal to the principal or Mandatory Sinking Fund Installments on each Series of Outstanding Senior Lien Bonds Outstanding payable on the next Principal Payment Date;

Third, to the Junior Lien Interest Account of the Debt Service Fund, an amount equal to the interest to become due and payable on each Series of Outstanding Junior Lien Bonds, on the next Interest Payment Date; and

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Fourth, (i) with respect to each deposit made prior to January 20__, to the Junior Lien Redemption Account of the Debt Service Fund, any remaining amounts on deposit in the Revenue Fund, and (ii) with respect to the deposit made in January 20__, to the Junior Lien Principal Account of the Debt Service Fund.

Section 5.05 Debt Service Fund.

(a) The Bond Trustee shall pay out of the appropriate Account of the Debt Service Fund on or before each Interest Payment Date for any of the Bonds the amount required for the interest payment on such Interest Payment Date, and shall pay out of the appropriate Account of the Debt Service Fund on or before each Principal Payment Date, the amount required for the Principal Payment due on such due date.

(b) The Bond Trustee shall apply amounts in the Debt Service Account for a particular Series of Bonds of the Debt Service Fund only to the payment of Debt Service on the Bonds of the same Series designation. If any amounts remain on deposit in the Debt Service Account when there are no Bonds Outstanding, the Bond Trustee shall transfer such amounts to the Revenue Fund.

Section 5.06 Rebate Fund.

(a) The Bond Trustee shall establish and maintain a fund separate from any other fund established and maintained hereunder designated as the Rebate Fund. Within the Rebate Fund, the Bond Trustee shall maintain such accounts as shall be specified by Borrower in order to comply with the Tax Agreement. Subject to the transfer provisions provided in paragraph (e) below, all money at any time deposited in the Rebate Fund shall be held by the Bond Trustee in trust, to the extent required to satisfy the Rebate requirement (as shall be further described and defined in the Tax Agreement, the "Rebate Requirement"), for payment to the federal government of the United States of America. The Issuer, Borrower and the Holder of any Bonds shall have no rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Section, by Section 6.03 and by the Tax Agreement (which is incorporated herein by reference). The Bond Trustee shall be deemed conclusively to have complied with such provisions if it follows the written Directions of Borrower including supplying all necessary information in the manner provided in the Tax Agreement, and shall have no liability or responsibility to enforce compliance by Borrower or the Issuer with the terms of the Tax Agreement.

(b) Upon Borrower's written Direction, an amount shall be deposited to the Rebate Fund by the Bond Trustee from transfers pursuant to the Master Trust Indenture, if and to the extent required, so that the balance in the Rebate Fund shall equal the Rebate Requirement. Computations of the Rebate Requirement shall be furnished by or on behalf of Borrower in accordance with the Tax Agreement.

(c) The Bond Trustee shall have no obligation to rebate any amounts required to be rebated pursuant to this Section, other than from moneys held in the Rebate Fund or provided to it by Borrower. The Bond Trustee may rely conclusively upon Borrower's determinations, calculations and certifications required by this Section. The Bond Trustee shall have no

responsibility to independently make any calculation or determination or to review Borrower's calculations hereunder.

(d) At the written Direction of Borrower, the Bond Trustee shall invest all amounts held in the Rebate Fund in Investment Securities, subject to the restrictions set forth in the Tax Agreement. The Bond Trustee shall not be liable for any consequences arising from such investment. Money shall not be transferred from the Rebate Fund except as provided in subsection (e) below.

(e) Upon receipt of Borrower's written Directions, the Bond Trustee shall remit part or all of the balances in the Rebate Fund to the United States of America, as so directed and provide notice of such payment to the Issuer. In addition, if Borrower so directs, the Bond Trustee will deposit money into or transfer money out of the Rebate Fund from or into such accounts or funds as directed by Borrower's written Directions; provided that any direction to transfer money out of the Rebate Fund is accompanied by a Certificate of Borrower delivered to the Bond Trustee and the Issuer to the effect that it has calculated the current rebate liability, if any, and has determined that the amount remaining in the Rebate Fund after such transfer will be sufficient to discharge such liability. Any funds remaining in the Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any Rebate Requirement, or provision made therefor satisfactory to the Bond Trustee, and payment of any amounts then owed to the Issuer and the Bond Trustee, shall be withdrawn and remitted to Borrower.

(f) Notwithstanding any other provision of this Bond Indenture, including in particular Article X, the obligation to remit the Rebate Requirement to the United States of America and to comply with all other requirements of this Section, Section 6.03 and the Tax Agreement shall survive the defeasance or payment in full of the Bonds.

Section 5.07 Redemption Accounts.

(a) The Bond Trustee shall deposit in the Senior Lien Redemption Account and the Junior Lien Redemption Account the amounts received from the Master Trustee pursuant to Section 3.04 of the Master Trust Indenture and shall apply such amounts to the redemption of Bonds pursuant to Section 4.03(b)(1) hereof. The amounts to be deposited in the Senior Lien Redemption Account and the Junior Lien Redemption Account shall be set forth in the Direction of the Borrower delivered in connection with such redemption.

(b) The Bond Trustee shall deposit in the Senior Lien Redemption Account and the Junior Lien Redemption Account the amounts received in connection with the redemption of Bonds pursuant to Section 4.03(b)(2) hereof and shall apply such amounts to such redemption. The amounts to be deposited in the Senior Lien Redemption Account and the Junior Lien Redemption Account shall be set forth in the Direction of the Borrower delivered in connection with such redemption.

(c) The Bond Trustee shall deposit in the Senior Lien Redemption Account and the Junior Lien Redemption Account prepayments received from the Borrower pursuant to Section 3.3 of the Loan Agreement and, pursuant to Section 4.02, shall apply such amounts to the redemption of Bonds pursuant to a Direction of the Borrower.

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(d) The Bond Trustee shall deposit in the Senior Lien Redemption Account the amounts received from the Master Trustee pursuant to Section 4.05(e) of the Master Trust Indenture and shall apply such amounts to the redemption of Bonds pursuant to Section 4.03(c)(1) hereof.

Section 5.08 Senior Lien Debt Service Reserve Fund.

(a) On the Closing Date, the Senior Lien Debt Service Reserve Fund Requirement shall be satisfied by a deposit of $[_____] into the Senior Lien Debt Service Reserve Fund pursuant to Section 3.03 of this Bond Indenture. The Bond Trustee shall apply amounts from the Senior Lien Debt Service Reserve Fund to the extent necessary to cure any deficiency in the deposits to the Senior Lien Interest Account of the Debt Service Fund or the Senior Lien Principal Account of the Debt Service Fund pursuant to Section 5.04. Notwithstanding anything herein to the contrary, the Senior Lien Debt Service Reserve Fund shall only secure the Series 2025A Bonds.

(b) Subject to the provisions of Section 6.03 relating to the valuation and application of interest earnings, if on the last Business Day of the month preceding each Interest Payment Date the amount on deposit in the Senior Lien Debt Service Reserve Fund shall exceed the Senior Lien Debt Service Reserve Fund Requirement, the Bond Trustee shall deposit such excess amounts in the Senior Lien Interest Account of the Debt Service Fund.

(c) In the event of an insufficiency in the Senior Lien Debt Service Reserve Fund following a valuation thereof pursuant to Section 6.04(d), the Bond Trustee shall notify the Master Trustee of such insufficiency and the amount needed to restore the Senior Lien Debt Service Reserve Fund to the Senior Lien Debt Service Reserve Fund Requirement, and deposit funds received from the Master Trustee pursuant to Section 4.03(c) of the Master Trust Indenture to restore the amount on deposit to equal the Senior Lien Debt Service Reserve Fund Requirement.

(d) In the event of a draw on the Senior Lien Debt Service Reserve Fund, the Bond Trustee shall promptly provide written notice to the Master Trustee of such draw and the amount needed to restore the Senior Lien Debt Service Reserve Fund to the Senior Lien Debt Service Reserve Fund Requirement and shall deposit funds received from the Master Trustee pursuant to Section 4.03(c) of the Master Trust Indenture to restore the amount on deposit in the Senior Lien Debt Service Reserve Fund to an amount equal to the Senior Lien Debt Service Reserve Fund Requirement.

(e) On any Interest Payment Date (including a date on which the Senior Lien Bonds are subject to mandatory or optional redemption), if the amount in the Senior Lien Debt Service Reserve Fund together with any funds then on deposit in the Senior Lien Interest Account of the Debt Service Fund, the Senior Lien Principal Account of the Debt Service Fund and the Senior Lien Redemption Account is sufficient to pay the principal of, premium, if any, and interest on all Outstanding Senior Lien Bonds, as applicable, the money in the Senior Lien Debt Service Reserve Fund, the Senior Lien Interest Account of the Debt Service Fund and the Senior Lien Principal Account of the Debt Service Fund may be transferred at the written direction of Borrower to the Senior Lien Redemption Account and used for such purpose.

Section 5.09 Bond Trustee Authorized to Take Actions Under the Loan Agreement. The Issuer hereby authorizes and directs the Bond Trustee, and the Bond Trustee hereby agrees, subject to Section 7.04 and Article VIII hereof, that the Bond Trustee is entitled to take such actions as the Bond Trustee deems necessary to enforce the Borrower's obligation under the Loan Agreement to make payments at such times and in such amounts as are necessary in order for the Bond Trustee to make timely payment of principal of and interest on the Bonds to the extent any Bond proceeds and other moneys are not available for such payment in accordance with the provisions of Section 5.04 hereof.

ARTICLE VI

MONEYS HELD IN TRUST, SECURITY FOR DEPOSITS, AND INVESTMENT OF FUNDS

Section 6.01 Moneys Held in Trust. All moneys deposited with the Bond Trustee under the provisions of this Bond Indenture shall be held by the Bond Trustee in such capacity hereunder. All moneys deposited under the provisions of this Bond Indenture with the Bond Trustee shall be held in trust and applied only in accordance with the provisions of this Bond Indenture, and each of the Funds and Accounts established by this Bond Indenture shall be a trust fund for the purpose of this Bond Indenture subject to application thereof as set forth herein.

Section 6.02 Deposits and Transfers.

(a) All moneys held by the Bond Trustee under this Bond Indenture may be placed in demand deposit, time deposit or money market fund accounts in accordance with Section 6.03, provided that such deposits shall permit the moneys so held to be available for use at the time when needed.

(b) All moneys held under this Bond Indenture by the Bond Trustee (other than (i) moneys held in the Rebate Fund as more particularly described in Section 5.06, and (ii) moneys held in the Senior Lien Debt Service Reserve Fund which is held solely for the benefit of the Series 2025A Bonds as more particularly described in Section 5.08.

(c) All moneys deposited with the Bond Trustee shall be credited to the particular Fund or Account as provided herein.

(d) Any transfer required to be made from one Fund or Account to another Fund or Account held by the same Person may be made by book transfer of any moneys or investments or portions of investments without liquidating any investments in order to make such transfer unless the funds required to be transferred are needed to make payments out of the Fund or Account to which such funds were transferred at the time of transfer.

Section 6.03 Investment of Funds.

(a) Investments shall be made in accordance with applicable law. Absent an Event of Default hereunder, moneys held in any Fund or Account shall be invested and reinvested by the Bond Trustee as promptly as practicable in accordance with the written Direction of the Borrower. If the Bond Trustee has not received written investment directions from the Borrower

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with respect to any moneys, such moneys shall be deposited in the _____ Money Market Deposit Account, which the Borrower has determined qualifies as an Investment Security hereunder, and, to the extent such account is no longer available, such moneys shall be held by the Bond Trustee uninvested. The Bond Trustee may conclusively rely upon the investment direction of the Borrower as to the suitability and permissibility of the directed investment. During the continuance of an Event of Default of which the Bond Trustee has received notice in accordance with Section 10.04(b) or if the Bond Trustee fails to receive such Directions at least one Business Day before the day on which any amounts are required to be invested, the funds shall be held uninvested. Notwithstanding any other provision of this Bond Indenture to the contrary, Investment Securities in all Funds and Accounts shall mature, or the principal of and accrued interest on such Investment Securities shall be available for withdrawal without penalty, not later than such times as shall be necessary to provide moneys when needed for payment to be made from such Funds and Accounts. The Bond Trustee shall not be responsible for any loss in any investment in any Fund or Account and is not responsible for monitoring the yield on investments.

(b) Except as otherwise provided in this subsection, interest earned or profits realized from investing any moneys deposited in the Funds and Accounts or any subaccount thereof shall be applied as provided in Article V hereof. The Issuer acknowledges that to the extent regulations of the Comptroller of the Currency or any other regulatory entity grant the Issuer the right to receive brokerage confirmations of the security transactions as they occur, the Issuer specifically waives receipt of such confirmations to the extent permitted by law.

Section 6.04 Valuation and Sale of Investments.

(a) Investment Securities acquired as an investment of moneys in any Fund or Account shall be at all times a part of such Fund or Account, and any profit or loss realized from the liquidation of such investment shall be applied as provided in Section 6.03(b).

(b) For the purpose of determining the amount in any Fund, all Investment Securities credited to such Fund shall be valued at the lesser of the cost or market value. Certificates of deposit and bankers' acceptances shall be valued at the face amount thereof, plus accrued interest thereon.

(c) Except as otherwise provided in this Bond Indenture, the Bond Trustee shall sell, or present for redemption, any Investment Security purchased as an investment whenever it shall be necessary in order to provide moneys to meet any payment or transfer from any Fund or Account. The Bond Trustee shall not be liable or responsible for any loss resulting from any such sale.

(d) The Bond Trustee is required to determine the value of the Senior Lien Debt Service Reserve Fund on the last Business Day preceding each Interest Payment Date (and monthly from the date of any deficiency until such deficiency is cured).

ARTICLE VII

PARTICULAR COVENANTS AND REPRESENTATIONS

Section 7.01 Punctual Payment. The Issuer shall punctually cause to be paid the principal or Redemption Price and interest to become due in respect of all the Bonds, in strict conformity with the terms of the Bonds and of this Bond Indenture, according to the true intent and meaning thereof, but only out of Revenues and other assets pledged for such payment as provided in this Bond Indenture. Nothing in the Bonds or in this Bond Indenture shall be considered or construed as pledging any funds or assets of the Issuer other than those pledged hereby or creating any liability of the Issuer Indemnified Parties.

Section 7.02 Extension of Payment of Bonds. The Issuer shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Bond Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended. Nothing in this Section shall be deemed to limit the right of the Issuer to amend this Bond Indenture as provided in Article XI or to issue obligations for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of the Bonds.

Section 7.03 Against Encumbrances. The execution and delivery by the Issuer of the Issuer Documents and compliance with the provisions on the Issuer's part contained therein will neither (i) conflict with or constitute a material breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or is otherwise subject, nor (ii) result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Issuer under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Issuer Documents.

Section 7.04 Power to Issue Bonds and Make Pledge and Assignment. The Issuer is a legal entity duly created and a public agency duly organized and validly existing under the laws of the State. The Issuer has full power and authority under the Act to adopt the Bond Resolution, to enter into and to perform its obligations under the Issuer Documents. When executed and delivered by the respective parties thereto, the Issuer Documents will constitute the legal, valid and binding obligations of the Issuer enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitation on legal remedies against joint powers commissions or governmental units of the State. By official action of the Issuer prior to or concurrently herewith, the Issuer has authorized

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and approved the execution and delivery of the Issuer Documents and the consummation by the Issuer of the transactions contemplated thereby.

The Loan Agreement sets forth covenants and obligations of the Issuer and the Borrower, and reference is hereby made to the same for a detailed statement of said covenants and obligations. The Issuer agrees to reasonably cooperate in the enforcement of all covenants and obligations of the Borrower under the Loan Agreement and agrees that the Bond Trustee, in its name, may enforce all rights of the Issuer (other than the Issuer's Reserved Rights) and all obligations of the Borrower under and pursuant to the Loan Agreement and on behalf of the Holders, whether or not the Issuer has undertaken to enforce such rights and obligations.

Section 7.05 Issuer's Further Assurance. The Issuer covenants that it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered by the parties within its control, such instruments supplemental hereto and such further acts, instruments, and transfers as the Bond Trustee may reasonably require for the better assuring, transferring, mortgaging, conveying, pledging, assigning, and confirming unto the Bond Trustee, the Issuer's interest in and to all interests, revenues, proceeds, and receipts pledged hereby to the payment of the principal of, premium, if any, and interest on the Bonds in the manner and to the extent contemplated herein. The Issuer shall be under no obligation to prepare, record, or file any such instruments or transfers.

Section 7.06 Accounting Records and Financial Statements.

(a) The Bond Trustee shall at all times keep, or cause to be kept, proper books of record and account prepared in accordance with corporate trust accounting standards, in which complete and accurate entries shall be made of all transactions relating to the receipt, investment, disbursement, allocation and application of the proceeds of the Bonds, the Revenues, the Loan Agreement and all funds and accounts established pursuant to this Bond Indenture. Such books of record and account shall be available for inspection by the Issuer, Borrower and any Bondholder, or his or her agent or representative duly authorized in writing, at reasonable hours and under reasonable circumstances. The book and records described in this subsection shall be maintained by the Bond Trustee until four years after no Bonds are Outstanding.

(b) The Bond Trustee shall file and furnish to each Bondholder who shall have filed his name and address with the Bond Trustee and requested such documents for such purpose (1) a copy of the most recent audited financial statements of the Borrower furnished to the Bond Trustee pursuant to the Loan Agreement, and (2) within thirty days after the end of each month, a monthly account statement (which need not be audited and may be its regular account statements) covering receipts, disbursements, allocation and application of Revenues and any other moneys (including proceeds of Bonds) in any of the funds and accounts established pursuant to this Bond Indenture for such month; provided that the Bond Trustee shall not be obligated to deliver an accounting for any fund or account that has a balance of $0.00 and has not had any activity since the last reporting. The Bond Trustee shall also furnish a copy of its monthly statement to Borrower and, upon written request of the Issuer, to the Issuer.

Section 7.07 Tax Covenants. In the Loan Agreement, Borrower has covenanted to do and perform all acts and things permitted by law and the Tax Agreement at all times which are

necessary or desirable in order to assure that interest paid on the Tax-Exempt Bonds (or any of them) will be excluded from gross income for federal income tax purposes and shall take no action that would result in such interest not being so excluded. Without limiting the generality of the foregoing, the Issuer agrees to comply with its obligations under the Tax Agreement. This covenant shall survive payment in full or defeasance of the Tax-Exempt Bonds.

Section 7.08 [Reserved].

Section 7.09 Enforcement of Loan Agreement and the Obligations. The Bond Trustee shall promptly receive all amounts transferred from the Borrower pursuant to the Loan Agreement and the Obligations and shall perform all duties imposed upon it pursuant to the Loan Agreement and subject to the provisions of this Bond Indenture, shall be entitled to enforce, and take all steps, actions and proceedings reasonably necessary for the enforcement of all of the rights of the Issuer assigned to it hereunder and all of the obligations of Borrower relating thereto.

Section 7.10 [Reserved].

Section 7.11 Continuing Disclosure. Pursuant to Section 5.5 of the Loan Agreement, the Borrower has undertaken all responsibility for compliance with continuing disclosure requirements, and the Issuer shall have no liability to the Holders of the Bonds or any other person with respect to Rule 15c2-12 promulgated by the Securities and Exchange Commission or any duty to enforce Section 5.5 of the Loan Agreement or the Continuing Disclosure Agreement or any continuing disclosure obligation whatsoever with respect to the Bonds. Notwithstanding any other provision of this Bond Indenture, failure of Borrower to comply with the continuing disclosure agreement shall not constitute an Event of Default; however, the Bond Trustee may and, at the request of any participating underwriter or the Holders of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds, shall, but only to the extent funds in an amount satisfactory to the Bond Trustee have been provided to it or it has otherwise been indemnified to its satisfaction from any cost, liability, expense or additional charges of the Bond Trustee, including attorney's fees, or any Holder or beneficial owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause Borrower to comply with its obligations under Section 5.5 of the Loan Agreement.

ARTICLE VIII

DISCHARGE AND DEFEASANCE

Section 8.01 Discharge of Bond Indenture. If the Issuer shall pay, or cause to be paid, all of the principal and Redemption Price of and interest on the Bonds, at the times and in the manner provided herein and in the Bonds according to the intent and meaning hereof and thereof, and shall cause the payments to be made into the Funds and Accounts established hereunder and in the amounts required hereby, or shall provide, as permitted hereby, for the payment thereof by depositing with or for the account of the Bond Trustee an amount sufficient to provide for payment of the entire amount due or to become due thereon (including any amount due or to become due with respect to the Tax-Exempt Bonds under Section 148 of the Code), and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of this Bond Indenture to be kept, performed and observed by it on or prior to the date such payments are made,

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and shall pay or cause to be paid to the Bond Trustee and there shall have been paid to the Issuer all sums of money due or to become due to it in accordance with the terms and provisions hereof (including, without limitation, amounts due the Issuer in respect of the Issuer's Reserved Rights), then, upon such payment and performance, this Bond Indenture and the rights, pledges and liens hereby granted shall cease, determine and be void; provided, that the Bond Trustee's rights and protections hereunder shall survive such discharge; otherwise, this Bond Indenture is to be and shall remain in full force and effect. In the event that this Bond Indenture is discharged as herein provided, the Bond Trustee shall cause an accounting for such period or periods as shall be requested by the Issuer to be prepared and filed with the Issuer and shall execute and deliver to the Issuer all such instruments as may be desirable to evidence such discharge and satisfaction, and the Bond Trustee shall pay over or transfer and deliver to the Borrower all moneys or securities held by it in any other Fund or Account pursuant to this Bond Indenture which are not required for the payment of principal or Redemption Price of and interest on the Bonds and other sums due.

Section 8.02 Defeasance. Any Outstanding Bonds shall, prior to the maturity or Redemption Date thereof, be deemed to have been paid within the meaning and with the effect expressed in Section 8.01 if (a) in case any of such Bonds are to be redeemed on any date prior to their maturity, the Issuer shall have given to the Bond Trustee in form satisfactory to it a Letter of Instructions containing irrevocable instructions to give notice of redemption of such Bonds as provided in Article IV, (b) there shall have been deposited with the Bond Trustee, in trust, either money in an amount which shall be sufficient, or Defeasance Investment Securities that are not callable or prepayable prior to maturity the principal of and interest on which without any reinvestment thereof when due will provide money which, together with the money, if any, deposited with the Bond Trustee at the same time for such purposes, shall be sufficient, as verified by an Accountant, to pay when due the principal or Redemption Price of and interest due and to become due on such Bonds on or prior to the Redemption Date or maturity date thereof, as the case may be, (c) in the event such Bonds are not to be redeemed within the next succeeding 60 days, the Issuer shall have given the Bond Trustee in form satisfactory to it a Letter of Instructions containing irrevocable instructions to mail, as soon as practicable, notice to the Owners of all such Bonds that the deposit required by clause (b) above has been made with the Bond Trustee and that such Bonds are deemed to have been paid in accordance with this Section and stating such maturity or Redemption Date upon which money is to be made available for the payment of the principal or Redemption Price of and interest on such Bonds, (d) there shall be delivered to the Bond Trustee a verification from an independent certified public accountant or firm of independent certified public accountants to the effect that the moneys and/or Defeasance Investment Securities are sufficient, without reinvestment, to pay the principal of, interest on, and redemption premium, if any, of the Bonds to be defeased, and (e) there shall be delivered to the Bond Trustee a written Opinion of Bond Counsel to the effect that (i) the provisions of this Section have been complied with so that such Bonds are no longer entitled to the benefits of this Bond Indenture and (ii) such defeasance will not, in and of itself, result in the inclusion of interest on the Tax-Exempt Bonds in gross income for federal income tax purposes. Neither Defeasance Investment Securities nor money deposited with the Bond Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Investment Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price of and interest on such Bonds; provided, that any cash received from such principal or interest payment on such Defeasance Investment Securities, (i) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Issuer as received, free

and clear of any trust, lien, security interest, pledge or assignment securing such Bonds or otherwise existing under this Bond Indenture, if all Bonds have been redeemed or discharged and if this Bond Indenture is discharged, otherwise such cash shall be deposited as Revenues, and (ii) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in the Defeasance Investment Securities maturing at times and in amounts sufficient to pay when due the principal or Redemption Price of and interest to become due on such Bonds, on or prior to such Redemption Date or maturity date thereof, as the case may be, and interest earned from such reinvestment shall be paid over to the Borrower as received, free and clear of any trust, lien or pledge, if all Bonds have been redeemed or discharged and if this Bond Indenture is discharged, otherwise such cash shall be deposited as Revenues. Bonds defeased hereunder shall no longer be subject to redemption at the option of the Issuer, except to the extent that such Bonds are called for redemption at the time provision is made for the defeasance thereof, as provided in this Section. The Bond Trustee shall provide written notice to the Issuer of any defeasance of Bonds hereunder.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01 Rights and Remedies, Generally. Subject to the provisions of this Bond Indenture (including Sections 9.09 and 13.17), the Owners of the Bonds, and the Bond Trustee acting for all of the Owners of the Bonds shall be entitled to all of the rights and remedies provided or permitted under this Bond Indenture or at law or in equity.

Section 9.02 Events of Default. Each of the following events is hereby declared an "Event of Default" under this Bond Indenture:

(a) failure to make due and punctual payment of the principal or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity or by call for redemption, or otherwise, provided that a default in the payment of principal or Redemption Price of any Junior Lien Bonds will not constitute an Event of Default with respect to the Senior Lien Bonds;

(b) failure to make due and punctual payment of any installment of interest on any Bond or the unsatisfied balance of any Mandatory Sinking Fund Installment therefor (except when such Mandatory Sinking Fund Installment is due on the maturity date of such Bond), when and as such interest installment or Mandatory Sinking Fund Installment shall become due and payable, provided that a default in the payment of any installment of interest on any Junior Lien Bonds will not constitute an Event of Default with respect to the Senior Lien Bonds;

(c) other than as described elsewhere in this Section, failure by the Issuer in the performance or observance of any other of the covenants, agreements or conditions on its part contained in this Bond Indenture or any Supplemental Bond Indenture, and such failure shall continue for a period of 60 days after written notice thereof to the Issuer by the Bond Trustee or to the Issuer and the Bond Trustee by the Controlling Party;

(d) a Loan Default Event (as defined in Section 6.1 of the Loan Agreement); or

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(e) if the Issuer shall file a petition or answer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if a court of competent jurisdiction shall approve a petition filed with or without the consent of the Issuer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if under the provisions of any other law for the relief or aid of debtors any court of competent jurisdiction shall assume custody or control of the Issuer or of the whole or any substantial part of its property.

Upon a Responsible Officer's receiving notice or being deemed to have received notice in accordance with Section 10.04(b) of the existence of any Event of Default, the Bond Trustee shall notify Borrower, the Issuer and the Master Trustee in writing as soon as practicable, but in any event within five (5) Business Days; provided, however, that the Bond Trustee need not provide notice of any Loan Default Event if Borrower has expressly acknowledged the existence of such Loan Default Event in a writing delivered to the Bond Trustee, the Issuer and the Master Trustee.

ANYTHING IN THIS BOND INDENTURE TO THE CONTRARY NOTWITHSTANDING, UPON THE OCCURRENCE AND CONTINUANCE OF AN EVENT OF DEFAULT AS DEFINED HEREIN, THE CONTROLLING PARTY SHALL BE ENTITLED TO CONTROL AND DIRECT THE ENFORCEMENT OF ALL RIGHTS AND REMEDIES GRANTED TO THE OWNERS OR THE BOND TRUSTEE UNDER THIS BOND INDENTURE (BUT, FOR AVOIDANCE OF DOUBT, EXCLUDING THE ISSUER'S RESERVED RIGHTS), INCLUDING (I) THE RIGHT TO ACCELERATE THE PRINCIPAL OF THE BONDS AS DESCRIBED IN THIS BOND INDENTURE, AND (II) THE RIGHT TO ANNUL ANY DECLARATION OF ACCELERATION, AND THE CONTROLLING PARTY SHALL ALSO BE ENTITLED TO APPROVE ALL WAIVERS OF EVENTS OF DEFAULT (EXCEPT IN RESPECT OF THE ISSUER'S RESERVED RIGHTS).

Upon the occurrence of an Event of Default of which a Responsible Officer of the Bond Trustee has received notice or is deemed to have received notice in accordance with Section 10.04(b), the Bond Trustee shall promptly provide written notice by first class mail to the Owners of the Bonds then Outstanding of such Event of Default. The Bond Trustee shall be fully protected in acting in accordance with the directions of the Controlling Party upon the occurrence of an Event of Default, and shall so act.

Section 9.03 Notice of Default. Upon a Responsible Officer of the Bond Trustee receiving notice or being deemed to have received notice in accordance with Section 10.04(b) of the existence of any Event of Default, the Bond Trustee shall notify the Issuer and the Owners in writing as soon as practicable, but in any event within five (5) Business Days with a copy of any such notice also posted on EMMA.

If an Event of Default has occurred and is continuing for six months and Owners of at least 10% of the then Outstanding Series of Bonds that would constitute the then-applicable Series of Bonds for purposes of the definition of the Controlling Party have contacted the Bond Trustee seeking additional information about the Event of Default and any proposed actions to be taken by the Bond Trustee, the Bond Trustee shall promptly provide written notice by first class mail to the Owners of the Bonds then Outstanding, with such notice also posted on EMMA, that the Bond

Trustee will hold an informational call for Owners to provide information on the status of the Event of Default and any proposed actions to be taken in connection therewith. In addition, the Bond Trustee shall cooperate with the Owners of the Series of Bonds that would constitute the then-applicable Series of Bonds for purposes of the definition of the Controlling Party to allow such Owners to identify other such Owners in order to allow such Owners to provide directions as the Controlling Party.

Section 9.04 Specific Remedies.

(a) If an Event of Default with respect to the Senior Lien Bonds occurs and is continuing, then, the Bond Trustee shall, upon the request of the Controlling Party, and may, but only with the prior written consent of the Controlling Party, and having been indemnified to its satisfaction (except with respect to the exercise of the remedy specified in clause (i) of this subsection (a) for which the Bond Trustee shall not be entitled to require indemnification as a precondition to the exercise of such remedy) take any or all or any combination of the following actions:

(i) declare the principal of the Bonds to be immediately due and payable, whereupon that portion of the principal of the Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in this Bond Indenture or in the Bonds to the contrary notwithstanding;

(ii) by mandamus or other suit, action or proceeding at law or in equity require the Issuer to perform its covenants and duties with respect to the Bonds under this Bond Indenture;

(iii) by action or suit in equity require the Issuer to account as if it were the trustee of an express trust for the Owners of the Bonds;

(iv) by action or suit in equity enjoin any acts or things that may be unlawful or in violation of the rights of the Owners of the Bonds;

(v) request that a court of competent jurisdiction appoint, to the extent permitted by law, a receiver or receivers of the Revenues and other assets pledged under this Bond Indenture, and the income, revenues, profits and use thereof, it being the intent hereof that, to the extent permitted by law, the Bond Trustee shall be entitled to appointment of such a receiver as a matter of right; or

(vi) direct, to the extent permitted by and in accordance with the Master Trust Indenture, the Master Trustee to commence foreclosure of a Mortgage by private sale or judicial foreclosure; provided, that the Bond Trustee shall first receive the written consent of the Controlling Party.

(b) If no Senior Lien Bonds remain outstanding, the same remedies available with respect to Senior Lien Bonds under subsection (a) of this Section 9.04 shall be available with respect to the Junior Lien Bonds. So long as any Senior Lien Bonds remain outstanding, the Owners of the Junior Lien Bonds shall have no right to enforce any Event of Default hereunder,

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to direct remedies, to waive any Events of Default or to otherwise take any action with respect to any Event of Default.

(c) Any declaration of acceleration pursuant to clause (a)(i) of this Section 9.04 is subject to the condition that if, at any time after such declaration and before any judgment or decree for the payment of the moneys due shall have been entered, the Issuer shall cause to be deposited with the Bond Trustee a sum sufficient to pay all the principal or Redemption Price of and installments of interest on the Bonds, payment of which is overdue, and the reasonable charges and expenses of the Bond Trustee, including fees and expenses of its attorneys, and any and all other defaults known to the Bond Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Bond Trustee or provision reasonably deemed by the Bond Trustee to be adequate shall have been made therefor, then, and in every such case, the Bond Trustee may, and shall at the direction of the Controlling Party, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences and waive such default; but no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

Section 9.05 Application of Proceeds. After (i) payment to the Bond Trustee of the costs, indemnification payments and expenses of collection and payment of reasonable compensation to the Bond Trustee for its own services and for the services of counsel, agents and employees by it properly engaged and employed, and (ii) payment to the Issuer of the Issuer's Fees and Expenses and payment to the Issuer Indemnified Parties the fees and expenses, if any, payable to or incurred by the Issuer or the Issuer Indemnified Parties under or in connection with the Bonds or any of the other Bond Documents, and including but not limited to the Annual Issuer's Fee, indemnification payments, any fees and expenses of counsel to the Issuer then due and any other Issuer's Fees and Expenses then due, provided that payment of the amounts due to the Issuer or the Issuer Indemnified Parties under this Section shall not absolve the Borrower from liability therefor except to the extent of the amounts received from the Bond Trustee, the proceeds received by the Bond Trustee pursuant to the exercise of any right or remedy under this Article, together with all securities and other moneys which may then be held by the Bond Trustee as a part of the Revenues and other assets pledged under this Bond Indenture, subject to the application of amounts in specific Funds and Accounts which are pledged solely to the repayment of Senior Lien Bonds, shall be applied in order, as follows:

(a) Unless the principal of all Bonds shall have become or have been declared due and payable,

First, to the payment to the Owners entitled thereto of all installments of interest (together with interest on overdue installments of interest to the extent allowed by law) then due on the Senior Lien Bonds in the order of their due dates, and, if the amount available shall not be sufficient to pay in full any installment or installments due on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the Owners of Senior Lien Bonds entitled thereto, without any discrimination or preference;

Second, to the payment to the Owners entitled thereto of the unpaid principal or Redemption Price of the Senior Lien Bonds with respect to which such remedy was exercised which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the unpaid principal or Redemption Price of all the Senior Lien Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date, to the Owners entitled thereto, without any discrimination or preference;

Third, to the payment to the Owners entitled thereto of all installments of interest then due on the Junior Lien Bonds in the order of their due dates, and, if the amount available shall not be sufficient to pay in full any installment or installments due on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the Owners of Junior Lien Bonds entitled thereto, without any discrimination or preference; and

Fourth, to the payment to the Owners entitled thereto of the unpaid principal or Redemption Price of the Junior Lien Bonds with respect to which such remedy was exercised which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the unpaid principal or Redemption Price of all the Junior Lien Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date, to the Owners entitled thereto, without any discrimination or preference.

(b) If the principal of all of the Bonds with respect to which such remedy was exercised shall have become or have been declared due and payable, (i) first, to the payment of the principal or Redemption Price and interest then due and unpaid upon the Senior Lien Bonds, with interest on the overdue principal, Redemption Price and interest (to the extent allowed by law), and, if the amount available shall not be sufficient to pay in full the whole amount so due and unpaid, then to the payment thereof ratably, without preference or priority of principal over interest or Redemption Price, or of interest over principal or Redemption Price, or of Redemption Price over principal or interest, or of any installment of interest over any other installment of interest, or of any Senior Lien Bond over any other Senior Lien Bond, according to the amounts due respectively for principal, Redemption Price and interest, to the Owners entitled thereto without any discrimination or preference; and (ii) second, to the payment of the principal or Redemption Price and interest then due and unpaid upon the Junior Lien Bonds, with interest on the overdue principal, Redemption Price for the respective Junior Lien Bonds, and, if the amount available shall not be sufficient to pay in full the whole amount so due and unpaid, then to the payment thereof ratably, without preference or priority of principal over interest or Redemption Price, or of interest over principal or Redemption Price, or of Redemption Price over principal or interest, or of any installment of interest over any other installment of interest, or of any Junior Lien Bond over any other Junior Lien Bond, according to the amounts due respectively for principal, Redemption Price and interest, to the Owners entitled thereto without any discrimination or preference.

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(c) If the principal of all the Bonds has been declared due and payable and if such declaration thereafter is rescinded and annulled under the provisions of this Article, then the moneys will be applied in accordance with the provisions of paragraph (a) of this Section.

Section 9.06 Bond Trustee May Act Without Possession of Bonds. All rights of action under this Bond Indenture or under any Bonds may be enforced by the Bond Trustee without possession of any of the Bonds or the production thereof in any trial or other proceedings relative thereto, and any such suit or proceedings instituted by the Bond Trustee shall be brought in its name, as Bond Trustee for the ratable benefit of the Owners of the Bonds, subject to the provisions of this Bond Indenture.

Section 9.07 Bond Trustee as Attorney-in-Fact. The Bond Trustee is hereby irrevocably appointed (and the Owners of the Bonds, by taking and holding same from time to time, shall be deemed to have so appointed the Bond Trustee) the true and lawful attorney-in-fact of the Owners of the Bonds, or on behalf of all Owners of the Bonds as a class, with respect to any proof of debt, amendment to proof of debt, petition or other document, and to do and perform any and all acts and things for and in the name of the Owners of the Bonds against the Issuer allowed in any equity receivership, insolvency, liquidation, bankruptcy, reorganization or other proceedings to which the Issuer shall be a party and to receive payment of or on account of such claims. Any such receiver, assignee, liquidator or Bond Trustee is hereby authorized by each of the Owners of the Bonds to make such payments to the Bond Trustee and, in the event that the Bond Trustee shall consent to the making of such payments directly to the Owners of the Bonds, to pay to the Bond Trustee and indemnify the Bond Trustee for any amount due for compensation and expenses of the Bond Trustee, including counsel fees, incurred up to the date of such distribution, and the Bond Trustee shall have full power of substitution and delegation in respect of any such powers.

Section 9.08 Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Bond Trustee or the Controlling Party is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity or by statute, subject to the right of the Controlling Party to direct the remedies and the limitations on remedies for the benefit of the Owners of the Senior Lien Bonds and the Junior Lien Bonds as set forth in Section 9.04.

Section 9.09 Limitation on Suits. All rights of action in respect of this Bond Indenture shall be exercised only by the Bond Trustee (excepting the Issuer's Reserved Rights, which may only be enforced by the Issuer or the Issuer Indemnified Parties, as the case may be), and the Owner of any Bond shall not have any right to institute any suit, action or proceedings at law or in equity for the appointment of a receiver or for any other remedy hereunder or by reason hereof, unless and until an Event of Default has occurred and is continuing, the Bond Trustee shall have received a request of the Controlling Party, and shall have been furnished reasonable indemnity and shall have refused or neglected for 30 days thereafter to institute such suit, action or proceedings, and no direction inconsistent with such Request has been given to the Bond Trustee during such 30-day period by the Controlling Party. The making of such request and the furnishing of such indemnity shall in each and every case be conditions precedent to the execution and enforcement by any Owner of any Bond, if such Owners are then the Controlling Party, of the powers and remedies given to the Bond Trustee hereunder and to the institution and maintenance

by any such Owner of any action or cause of action for the appointment of a receiver or for any other remedy hereunder, but the Bond Trustee may, in its discretion, and when duly requested in writing by the Controlling Party and when furnished indemnity satisfactory to protect it against expenses, charges and liability shall, subject to Section 9.04(d), take such appropriate action by judicial proceedings otherwise in respect of any existing default on the part of the Issuer as the Bond Trustee may deem desirable in the interest of the Controlling Party. The rights of the Owners under this Section are in all events subject to the provisions of Section 9.04.

Nothing contained in this Article shall affect or impair the right of any Owner of any Bonds, which shall be absolute and unconditional, to enforce the payment of the principal of, Redemption Price, if any, and interest on the Bonds of such Owner, but only out of the moneys for such payment as herein provided, or the obligation of the Issuer, which shall also be absolute and unconditional, to make payment of the principal of, Redemption Price, if any, and interest on the Bonds, but only out of the funds provided herein for such payment, to the respective Owners thereof at the time and place stated herein.

Section 9.10 Right of Controlling Party to Direct Proceedings. Notwithstanding any provision of this Bond Indenture to the contrary other than as specifically set forth in Section 9.02, the Controlling Party shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Bond Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Bond Indenture, or for the pursuit or exercise of any remedy available to the Bond Trustee or any trust or power conferred on the Bond Trustee or any other proceedings hereunder; provided, that the Bond Trustee shall have been satisfactorily indemnified and that such direction shall not be contrary to law or the provisions of this Bond Indenture, and, unless such direction relates to the acceleration of all or a portion of the Bonds, the Bond Trustee shall have the right to decline to follow any such direction if the Bond Trustee shall, in its sole discretion, determine that the proceedings so directed would involve it in personal liability for which it has not received adequate indemnity. Anything in this Bond Indenture to the contrary notwithstanding, by their acceptance of the Junior Lien Bonds, the Beneficial Owners thereof shall have no right to object to any directions given by the Beneficial Owners of the Senior Lien Bonds in connection with any bankruptcy proceeding, with any exercise of remedies (or lack of exercise of remedies) under this Article IX, or otherwise with respect to actions taken or not taken in response to an Event of Default, without limitation.

Section 9.11 Restoration of Rights and Remedies. If the Bond Trustee, the Controlling Party or any Owner has instituted any proceeding to enforce any right or remedy under this Bond Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Bond Trustee, the Controlling Party or such Owner, then and in every such case, the Issuer, the Bond Trustee, the Controlling Party and the Owners shall, subject to any determination in such proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Bond Trustee, the Controlling Party and the Owners shall continue as though no such proceeding had been instituted.

Section 9.12 Waiver of Stay or Extension Laws. To the extent that it may lawfully do so, the Issuer covenants that it will not at any time insist upon, plead or in any manner whatsoever claim or take the benefit or advantage of any stay or extension law, whenever or wherever enacted,

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which may affect the covenants under or the performance of this Bond Indenture. The Issuer also covenants that it will not otherwise unreasonably hinder, delay or impede the execution of any power herein granted to the Bond Trustee.

Section 9.13 Delay or Omission Not Waiver. No delay or omission of the Bond Trustee, the Controlling Party or of any Owner to exercise any right or remedy accruing upon any Event of Default hereunder shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Bond Trustee, the Controlling Party or to the Owners may be executed from time to time, and as often as may be deemed expedient, by the Bond Trustee, the Controlling Party or by the Owners, as the case may be.

ARTICLE X

CONCERNING THE BOND TRUSTEE

Section 10.01 Bond Trustee; Appointment and Acceptance of Duties.

(a) UMB BANK, N.A., is hereby appointed as Bond Trustee. The Bond Trustee hereby accepts and agrees to execute the trusts hereby created, but only upon the additional terms set forth in this Article, to all of which the Issuer agrees and the respective Owners agree by their acceptance of delivery of any of the Bonds. The Bond Trustee shall be deemed to have accepted such trusts with respect to all the Bonds hereafter to be issued, but only upon the terms and conditions set forth in this Bond Indenture. The Bond Trustee may execute any of the trusts or powers set forth herein and perform the duties required of it or imposed on it hereunder by or through attorneys, agents or receivers, and shall be entitled to advice of counsel concerning all matters of trusts and its duties herein.

(b) The Bond Trustee shall serve as Paying Agent for the Bonds. As Paying Agent, the Bond Trustee agrees that it will (i) hold all sums held by it for the payment of principal or Redemption Price of or interest on Bonds in trust for the benefit of the Owners entitled thereto, until such sums shall be paid to such Owners or otherwise disposed of as herein provided; and (ii) give the Issuer written notice of any default in the making of any such payment of principal or interest.

Section 10.02 [Reserved].

Section 10.03 Registrars and Other Agents; Appointment and Acceptance of Duties.

(a) The Issuer may appoint one or more Registrars or other agents to perform any of the duties and obligations imposed under this Bond Indenture or any Supplemental Bond Indenture, and separate appointments may be made for the Bonds of each Series. The Bond Trustee shall serve as initial Registrar for the Bonds.

(b) Each Registrar or other agent, other than the Bond Trustee, shall signify its acceptance of the duties and obligations imposed upon it by this Bond Indenture or any Supplemental Bond Indenture by executing and delivering to the Issuer and the Bond Trustee a written acceptance thereof.

Section 10.04 Responsibilities of the Bond Trustee.

(a) The recitals of fact herein and in the Bonds contained shall be taken as the statements of the Issuer, and the Bond Trustee assumes no responsibility for the correctness of the same. The Bond Trustee makes no representations as to the validity or sufficiency of this Bond Indenture or of any Bonds issued thereunder or of the Obligations, or as to the security afforded by this Bond Indenture or any of the other Bond Documents, and the Bond Trustee shall not incur any liability in respect thereof; provided, however, that the Bond Trustee represents and warrants that this Bond Indenture is the valid and binding legal obligation of the Bond Trustee enforceable against the Bond Trustee in accordance with its terms. The Bond Trustee shall, however, be responsible for its express representations contained in any authentication on the Bonds. The Bond Trustee shall not be under any responsibility or duty with respect to the application of any money paid to the Issuer or money collected by the Issuer prior to the delivery thereof to the Bond Trustee. The Bond Trustee shall not be under any obligation or duty to perform any act or exercise any right granted to it, whether requested by the Owners, Beneficial Owners, Controlling Party or otherwise, which would involve it in liability or to institute or defend any suit in respect hereof, or to advance any of its own money, unless it has received indemnity satisfactory to the Bond Trustee against such liability other than liability resulting from its negligence or willful misconduct. Subject to the provisions of subsection (b) of this Section, the Bond Trustee shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct.

(b) The Bond Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Bond Indenture, and no implied covenants or obligations shall be read into this Bond Indenture against the Bond Trustee. In case an Event of Default has occurred (which has not been cured), the Bond Trustee shall exercise such of the rights and powers vested in it by this Bond Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances. Except for a default under Section 9.02(a) or (b), the Bond Trustee shall not be deemed to have notice of any default or Event of Default hereunder absent the Bond Trustee's receipt of written notice of such default or Event of Default. The Bond Trustee shall not be required to take notice or be deemed to have notice of any default or Event of Default hereunder except a default under Sections 9.02(a) or (b), unless the Bond Trustee is specifically notified in writing of such default by the Issuer or by the Owners of at least 25% in aggregate principal amount of all Bonds then Outstanding. All notices or other instruments required by this Bond Indenture to be delivered to the Bond Trustee must, to be effective, be delivered at the Designated Office of the Bond Trustee, and in the absence of the notice so delivered, the Bond Trustee may conclusively assume there is no default except as aforesaid. Any provision of this Bond Indenture relating to action taken or to be taken by the Bond Trustee or the evidence upon which the Bond Trustee may rely shall be subject to the provisions of this Section.

(c) The Bond Trustee is not required to make any inquiry or investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, debenture or other paper or document but the Bond Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit and, if the Bond Trustee determines to make such further inquiry

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or investigation, it is entitled to examine the books, records and premises of the Issuer, in person or by agent or attorney. Neither the Bond Trustee nor any of its directors, officers, employees, agents or affiliates shall be responsible for the performance or any action of the Borrower, the Issuer, or any of their directors, members, officers, agents, affiliates or employee, nor shall it have any liability in connection with the malfeasance or nonfeasance by such party. The Bond Trustee shall have no enforcement or notification obligations relating to breaches of representations or warranties of any other Person.

(d) [Reserved].

(e) The permissive right of the Bond Trustee to take the actions permitted by this Bond Indenture shall not be construed as an obligation or duty to do so.

(f) Promptly after receiving appropriate notification thereof, at the cost of the Borrower, the Bond Trustee shall be responsible for sending notifications required to be sent by the Bond Trustee to the Owners hereunder and shall, at the written request of the Borrower or as otherwise expressly required here, request consents of the Owners.

(g) Except for information provided by the Bond Trustee concerning the Bond Trustee, the Bond Trustee shall have no responsibility for any information in any offering memorandum or other disclosure material distributed with respect to the Bonds, and the Bond Trustee shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds.

(h) It is expressly understood and agreed that the Bond Trustee shall be under no liability of any kind or character whatsoever for the payment of any costs of the Projects and that all such costs shall be paid from amounts held pursuant hereto for such purpose.

(i) None of the provisions of this Bond Indenture or any other Bond Documents shall require the Bond Trustee to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless the Bond Trustee shall first have been adequately indemnified to its satisfaction against the cost, expense, and liability which may be incurred thereby.

(j) The Bond Trustee shall be entitled to request and receive written instructions or directions pursuant to this Bond Indenture sent by the Issuer by unsecured e-mail, facsimile transmission, or other similar unsecured electronic methods, provided, however, that the Issuer shall provide to the Bond Trustee an incumbency certificate listing designated individuals with the authority to provide such instructions, which incumbency certificate shall be amended whenever an individual is to be added or deleted from the listing. If the Issuer elects to give the Bond Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Bond Trustee acts upon such instructions, the Bond Trustee's understanding of such instructions shall be deemed controlling. The Bond Trustee shall not be liable for any losses, costs, or expenses arising directly or indirectly from any action taken or not taken by the Bond Trustee or from the Bond Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction that the Bond Trustee receives after the Bond Trustee has acted on a previous instruction or direction. The Issuer

agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Bond Trustee, including, without limitation, the risk of the Bond Trustee acting on instructions, and the risk of interception and misuse by third parties.

(k) The Bond Trustee shall not be responsible or liable for any failure or delay in the performance of its obligation under this Bond Indenture arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; riots; interruptions; loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Bond Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

(l) In no event shall the Bond Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss or profit) irrespective of whether the Bond Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

Section 10.05 Evidence on Which the Bond Trustee May Act.

(a) The Bond Trustee, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of this Bond Indenture, shall be entitled to conclusively rely upon, and shall be protected in acting or refraining from acting upon, any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties and consented to by such other parties where required not only as to due execution, validity and effectiveness, but also as to the truth and accuracy of any information contained therein. The Bond Trustee may consult with counsel, who may or may not be counsel to the Issuer, or any Consultant, and the opinion or advice of such counsel or Consultant, if selected with due care, shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Bond Indenture in accordance therewith.

(b) Except as otherwise expressly provided in this Bond Indenture, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the Issuer to the Bond Trustee shall be sufficiently executed if executed in the name of the Issuer by an Authorized Issuer Representative.

(c) The Bond Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, receivers, agents or employees but shall not be answerable for the conduct of attorneys and receivers who have been selected by it with reasonable care, and may in all cases pay compensation to all attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof, and the Bond Trustee shall not be responsible for any misconduct or negligence of any agent or attorney appointed with due care by it.

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(d) The Bond Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(e) The Bond Trustee shall be entitled to payment of and/or reimbursement for reasonable fees for its ordinary services rendered hereunder as and when the same become due (which compensation shall not be limited by any provision of law in regard to the compensation of a Bond Trustee of an express trust) and all advances, agent and counsel fees and expenses, and other ordinary expenses reasonably made or incurred by the Bond Trustee in connection with such ordinary services and, if it should become necessary that the Bond Trustee perform extraordinary services, it shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable extraordinary expenses in connection therewith (including attorneys' fees, expenses and disbursements); provided that if such extraordinary services or extraordinary costs and expenses are occasioned by the negligence or willful misconduct of the Bond Trustee, it shall not be entitled to compensation or reimbursement therefor. Upon an Event of Default, the Bond Trustee shall have a lien and right of payment before payment on account of principal of or interest on any Bond, upon all moneys in its possession under any provisions hereof for the foregoing reasonable advances, fees, costs and expenses incurred. The Bond Trustee's right to compensation and indemnification shall survive the satisfaction and discharge of this Bond Indenture or its resignation or removal hereunder and payment in full of the Bonds and defeasance of the Bonds hereunder shall be without prejudice to the right of the Bond Trustee to be paid reasonable compensation for all services rendered hereunder and all reasonable expenses, charges and other disbursements incurred on or about the administration of the trust hereby created and the performance of its powers and duties hereunder (including fees, costs and expenses of its agents and counsel).

(f) Whenever in the administration of the trusts of this Bond Indenture, the Bond Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, then, in the absence of bad faith on the part of the Bond Trustee, and unless other evidence in respect thereof be herein specifically prescribed, the Bond Trustee shall have the right to request and receive a certificate from the Issuer or the Borrower relating to such matter, and any such matter may be deemed to be conclusively proved and established by a certificate of the Issuer or the Borrower delivered to the Bond Trustee and such certificate shall be full warranty to the Bond Trustee for any action taken or suffered by it under the provisions of this Bond Indenture in reliance thereon.

(g) The Bond Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Controlling Owners as provided herein relating to the time, method, and place of conducting any proceeding or any remedy available to the Bond Trustee, or exercising any trust or power conferred upon the Bond Trustee, under this Bond Indenture.

Section 10.06 Certain Permitted Acts. The Bond Trustee may become the Owner of any Bonds with the same rights it would have if it were not the Bond Trustee. To the extent permitted by law, the Bond Trustee may act as depository for, and may permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Bond Indenture, whether or not any such committee shall represent the Owners

of a majority in principal amount of the Bonds Outstanding. The provisions of this Section shall extend to affiliates of the Bond Trustee.

Section 10.07 Resignation of Bond Trustee. Except as otherwise provided by a Supplemental Bond Indenture, the Bond Trustee may at any time resign and be discharged of the duties and obligations created by this Bond Indenture, by giving not less than 60 days' written notice to the Issuer of the date it desires to resign and mailing written notice to the Owners of all Bonds, and such resignation and discharge shall take effect immediately on the appointment and acceptance of a successor Bond Trustee.

Section 10.08 Removal of Bond Trustee. So long as an Event of Default has not occurred and is not continuing, the Bond Trustee may be removed, with or without cause, at any time at the Direction of the Issuer, with the consent of the Controlling Party. At any time, the Bond Trustee may be removed, with or without cause, at the written direction of the Controlling Party with a copy of such direction to the Issuer. Notwithstanding the foregoing, any removal of the Bond Trustee shall not be effective until a successor Bond Trustee has been appointed and has assumed the duties and responsibilities of successor Bond Trustee under this Bond Indenture.

Section 10.09 Appointment of Successor Bond Trustee.

(a) In case at any time the Bond Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Bond Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Bond Trustee, or of its property or affairs, a successor may be appointed by the Controlling Party, by an instrument in writing signed and acknowledged by the Controlling Party or by its attorney-in-fact duly authorized and delivered to such successor Bond Trustee, notification thereof being given to the predecessor Bond Trustee. The successor Bond Trustee shall mail notice of the appointment of the successor Bond Trustee to the Issuer and the Owners of all Bonds.

(b) If no appointment of a successor Bond Trustee shall be made within 45 days after the Bond Trustee shall have given to the Issuer written notice as provided in Section 10.07 or after a vacancy in the office of the Bond Trustee shall have occurred by reason of its inability to act, its removal, or for any other reason whatsoever, the Bond Trustee (in the case of a resignation under Section 10.07) and at the sole cost and expense of the Borrower (including with respect to attorneys' fees and expenses), or the Issuer may apply to any court of competent jurisdiction to appoint a successor Bond Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Bond Trustee or for other appropriate relief, and any such resulting appointment or relief shall be binding upon the Issuer, the Owners, and any and all other parties, and thereafter the Bond Trustee shall have no further duties, responsibilities or obligations hereunder or under any of the Bond Documents to which it is a party.

(c) Any Bond Trustee appointed under the provisions of this Section in succession to the Bond Trustee shall be a bank or trust company or national or state banking association and duly authorized to exercise trust powers and subject to examination by federal or state Issuer and having (or whose parent holding company shall have) reported capital and surplus of not less than $50,000,000.

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(d) Notwithstanding anything herein to the contrary, any successor Trustee appointed hereunder shall be subject to the prior written approval of the Issuer.

Section 10.10 Transfer of Rights and Property to Successor Bond Trustee. Any successor Bond Trustee appointed under this Bond Indenture shall execute, acknowledge and deliver to its predecessor Bond Trustee and to the Issuer an instrument accepting such appointment, and thereupon such successor Bond Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties, and obligations of such predecessor Bond Trustee, with like effect as if originally named as Bond Trustee; but the Bond Trustee ceasing to act shall nevertheless, on the Request of the Issuer or of the successor Bond Trustee and on the receipt of its outstanding fees and expenses, execute, acknowledge and deliver such instruments of assignment and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Bond Trustee all rights, powers, duties and obligations in and to any property held by it under this Bond Indenture, and shall pay over, assign and deliver to the successor Bond Trustee any money or other property subject to the trusts and conditions herein set forth. Should any instrument in writing from the Issuer be required by such successor Bond Trustee for more fully and certainly vesting in and confirming to such successor Bond Trustee any such estates, rights, powers and duties, any and all such instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Issuer. Any such successor Bond Trustee shall promptly notify any Registrars and other agents of its appointment as Bond Trustee.

Section 10.11 Merger or Consolidation. Any bank or trust company into which the Bond Trustee may be merged or converted or with which it may be consolidated or any bank or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank or trust company to which the Bond Trustee may sell or transfer all or substantially all of its corporate trust business, provided such entity shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, and shall be authorized by law to perform all duties imposed upon it by this Bond Indenture, shall be the successor Bond Trustee without the execution or filing of any paper or the performance of any further act. The successor Bond Trustee shall mail notice to the Owners of all Outstanding Bonds of the successor Bond Trustee or post such notice on EMMA.

Section 10.12 Adoption of Authentication. If any of the Bonds contemplated to be issued under this Bond Indenture shall have been authenticated but not delivered, any successor Bond Trustee may adopt the certificate of authentication of any predecessor Bond Trustee so authenticating such Bonds and deliver such Bonds so authenticated; and if any such Bonds shall not have been authenticated, any successor Bond Trustee may authenticate such Bonds in the name of the predecessor Bond Trustee, or in the name of the successor Bond Trustee, and in all such cases such certificate shall be of full force and effect.

Section 10.13 Resignation or Removal of Agents and Appointment of Successors.

(a) Any Registrar or other agent may at any time resign and be discharged of the duties and obligations created by this Bond Indenture or any Supplemental Bond Indenture by giving at least 60 days' written notice to the Issuer, the Bond Trustee and the other agents, if any. Any such agent may be removed at any time by an instrument filed with such agent and the Bond Trustee and signed by the Authorized Issuer Representative. Any successor agent shall be appointed by the Issuer and shall be willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it in such capacity by this Bond Indenture.

(b) In the event of the resignation or removal of any agent, such agent shall pay over, assign and deliver any money held by it to its successor, or if there be no successor, to the Bond Trustee. In the event that for any reason there shall be a vacancy in the office of any Registrar appointed by the Issuer, the Bond Trustee shall act as such Registrar.

(c) The provisions of this Section may be modified by a Supplemental Bond Indenture in respect of any Series of Bonds, authorized thereby, and in the event of any conflict with the provisions hereof the provisions of such Supplemental Bond Indenture shall control in respect of any Series of Bonds authorized thereby.

Section 10.14 Additional Payments. The Bond Trustee shall immediately upon receipt transfer any amounts received from the Borrower in payment for the Annual Issuer's Fee or other Issuer's Fees and Expenses to the Master Trustee.

ARTICLE XI

SUPPLEMENTAL BOND INDENTURES AND AMENDMENT OF BOND DOCUMENTS

Section 11.01 Supplemental Bond Indentures and Amendments of Bond Documents Effective Without Consent of Owners. The Issuer and the Bond Trustee may, as appropriate, from time to time and at any time, without the consent of but with notice to the Owners, enter into Supplemental Bond Indentures or amendments to the Bond Documents as follows:

(a) to cure any formal defect, omission, inconsistency or ambiguity in this Bond Indenture or in the applicable Bond Document;

(b) to insert such provisions clarifying matters or questions arising under this Bond Indenture or in the applicable Bond Document as are necessary or desirable and are not contrary to or inconsistent with this Bond Indenture or the applicable Bond Document as theretofore in effect;

(c) to grant to or confer upon the Bond Trustee for the benefit of the Owners any additional rights, remedies, powers, authority or security which may lawfully be granted or conferred and which are not contrary to or inconsistent with this Bond Indenture or the Bond Documents as theretofore in effect;

(d) [Reserved];

(e) to provide limitations and restrictions in addition to the limitations and restrictions contained in this Bond Indenture or any Supplemental Bond Indenture or the Bond Documents on the delivery of Bonds or the issuance of other evidences of indebtedness;

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(f) to add to the covenants and agreements of the Issuer in this Bond Indenture or any Supplemental Bond Indenture or the Bond Documents, other covenants and agreements to be observed by the Issuer or the other parties thereto which are not in conflict with this Bond Indenture or the applicable Supplemental Bond Indentures or in the applicable Bond Document as theretofore in effect, provided that such supplement shall not have a material adverse impact on the Bonds;

(g) to add to the limitations and restrictions in this Bond Indenture or any Supplemental Bond Indenture or the Bond Documents other limitations and restrictions to be observed by the Issuer or the other parties thereto which are not in conflict with this Bond Indenture or the applicable Supplemental Bond Indentures or in the applicable Bond Documents as theretofore in effect, provided that such supplement shall not have a material adverse impact on the Bonds;

(h) to confirm, as further assurance, any pledge under, and the subjection to any lien or security interest created or to be created by, this Bond Indenture or any Supplemental Bond Indenture, of the Revenues and other assets pledged under this Bond Indenture or of any other moneys, securities or funds, or to subject to the pledge, lien and security interest of this Bond Indenture additional revenues, properties or collateral;

(i) to provide for additional rights of the Bond Trustee in connection with the Revenues and other assets pledged under this Bond Indenture;

(j) to modify, amend or supplement this Bond Indenture or any Supplemental Bond Indenture in such manner as to permit, if presented, the qualification hereof and thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or under any state blue sky law;

(k) to surrender any right, power or privilege reserved to or conferred upon the Issuer by the terms of this Bond Indenture; provided, that the surrender of such right, power or privilege is not in conflict with the covenants and agreements of the Issuer contained in this Bond Indenture;

(l) to designate Registrars and other agents for the Bonds of any Series;

(m) to evidence the appointment or a succession of a new Bond Trustee hereunder;

(n) to modify, amend or supplement this Bond Indenture or any Supplemental Bond Indenture in order to provide for or eliminate book-entry registration of all or any of the Bonds to the extent not inconsistent with the provisions hereof; and

(o) to make any change that does not materially adversely affect the rights of any Owner.

Section 11.02 Supplemental Bond Indentures and Amendments to Bond Documents Requiring Owner Consent. Except as provided in Section 11.01 and in the immediately following sentence, any modification or amendment of this Bond Indenture or to any Bond Document and

of the rights and obligations of the Issuer and of the Owners of the Bonds hereunder or thereunder, in any particular, may only be made by a Supplemental Bond Indenture or an amendment to the applicable Bond Document in each instance with the prior written consent of the Controlling Party. No such modification or amendment shall, without the prior written consent of the Owner of each Bond affected thereby, permit (i) a change in the terms of redemption or maturity of the principal of any Outstanding Bond or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon, (ii) creation of a lien upon or a pledge of or payment priority from the Revenues ranking prior to or on a parity with the lien or pledge created by this Bond Indenture, (iii) a preference or priority of any Bond or Bonds over any other Bond or Bonds of the same lien priority, (iv) a reduction in the percentages or otherwise affect the classes of Bonds of which the consent of the Owners is required to effect any such modification or amendment, (v) an impairment of the exclusion from gross income for federal income tax purposes of interest on any Tax-Exempt Bond, (vi) a deprivation to any Owners of the pledge, lien and security interest created by this Bond Indenture or (vii) a change or modification of any of the rights or obligations of any agent without its prior written consent thereto. For the purposes of this Section, a Series of Bonds shall be deemed to be affected by a modification or amendment of this Bond Indenture or an amendment to the applicable Bond Document if the same materially adversely affects or diminishes the rights of the Owners of Bonds of such Series. The Bond Trustee may in its discretion determine whether or not, in accordance with the foregoing powers of amendment, Bonds of any particular Series, lien priority or maturity would be affected by any modification or amendment of this Bond Indenture or an amendment to the applicable Bond Document and any such determination shall be binding and conclusive on the Issuer and all Owners. In making any such determination, the Bond Trustee shall be entitled to receive and may conclusively rely upon an opinion of counsel.

Section 11.03 Consent of Owners. The Issuer and the Bond Trustee, as applicable, may at any time enter into a Supplemental Bond Indenture or an amendment to the applicable Bond Document making a modification or amendment permitted by the provisions of Section 11.02, to take effect when and as provided in this Section. A copy of such Supplemental Bond Indenture or amendment to a Bond Document (or brief summary thereof or reference thereto), together with a request to Owners for their consent thereto in form satisfactory to the Bond Trustee, shall be mailed to Owners as provided in Section 11.07 or posted on EMMA. Such Supplemental Bond Indenture or amendment to such Bond Document requiring the consent of all or any of the Owners will be effective when: (a) there shall have been filed with the Bond Trustee the written consent of such Owners of the percentages of Outstanding Bonds specified in Section 11.02 required to consent to such amendment, and an opinion of Bond Counsel, to the effect that such Supplemental Bond Indenture has been duly and lawfully entered into by the Issuer in accordance with the provisions of this Bond Indenture, is authorized or permitted by this Bond Indenture, is valid and binding upon the Issuer, is in accordance with this Bond Indenture and will not, in and of itself, cause interest on any Tax-Exempt Bonds to be includible in gross income for federal income tax purposes; provided, that such opinion may take exception for limitations imposed by or resulting from bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally, to the application of equitable principles, judicial discretion in appropriate cases, and principles of government law (including limitations on legal remedies against governmental units, such as the Issuer, in the State). Each such written consent shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by Section 13.01. The Bond Trustee may rely upon any such documentation received in accordance with Section 13.01. A certificate

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or certificates by the Bond Trustee filed with the Issuer that the Bond Trustee has received documentation in accordance with Section 13.01 shall be conclusive that the consents have been given by the Owners of the Bonds described in such certificate or certificates of the Bond Trustee. Any such consent shall be binding upon the Owner of the Bonds giving such consent and, anything in Section 13.01 to the contrary notwithstanding, upon any subsequent Owner of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Owner thereof has notice thereof) unless such consent is revoked in writing by the Owner of such Bonds giving such consent or a subsequent Owner thereof by filing such revocation with the Bond Trustee prior to the time when the written statement of the Bond Trustee hereinafter in this Section provided for is filed. The fact that a consent has not been revoked may likewise be proved by a certificate of the Bond Trustee to the effect that no revocation thereof is on file with the Bond Trustee. At any time after the Owners of the required percentages of Bonds shall have filed their consents to the Supplemental Bond Indenture or amendment to a Bond Document, the Bond Trustee shall make and file with the Issuer a written statement that the Owners of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive evidence that such consents have been so filed. Upon receipt of the requisite consents, filing of the written statement of the Bond Trustee required hereunder and the execution of such amendment by the parties thereto, notice, stating in substance that the Supplemental Bond Indenture (which may be referred to as a Supplemental Bond Indenture entered into by the Issuer and the Bond Trustee as of a stated date, a copy of which is on file with the Bond Trustee) or other amendment to the Bond Documents has been consented to by the Owners of the required percentages of Bonds and will be effective as provided in this Section, shall be given by Bond Trustee to Owners by mailing such notice to Owners, or posting such notice on EMMA, immediately thereafter. Such Supplemental Bond Indenture or amendment to a Bond Document making such amendment or modification shall become effective and shall be deemed conclusively binding upon the Issuer, the Bond Trustee, their respective agents and the Owners of all Bonds after completion by the Bond Trustee of the mailing or posting of the notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Bond Indenture or amendment to a Bond Document in a legal action or equitable proceeding for such purpose commenced prior to such mailing; provided, that any agent and the Issuer prior to such mailing and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Bond Indenture or amendment to a Bond Document as they may deem expedient.

Section 11.04 Amendment of Particular Bonds. The provisions of this Article shall not prevent any Owner from accepting any amendment as to the particular Bonds held by such Owner, provided that due notation thereof is made on such Bonds.

Section 11.05 General Provisions.

(a) This Bond Indenture and the Bond Documents shall not be modified or amended in any respect except as provided in, in accordance with and subject to provisions of this Article.

(b) Any Supplemental Bond Indenture or amendment to a Bond Document referred to and permitted or authorized by Section 11.01 may be entered into by the Issuer and the Bond Trustee, as applicable, without the consent of any of the Owners, but shall become effective

only (i) after the parties thereto have duly executed such Supplemental Bond Indenture or Bond Document, (ii) following written notice of the proposed supplement or amendment provided to the Owners and (iii) if such Supplemental Bond Indenture or amendment meets the conditions, and to the extent provided, in Section 11.01. Prior to entering into any Supplemental Bond Indenture or amendment to a Bond Document, the Bond Trustee shall receive an opinion of Bond Counsel, to the effect that such Supplemental Bond Indenture or amendment to a Bond Document has been duly and lawfully entered into by the Issuer in accordance with the provisions of this Bond Indenture, is authorized or permitted by this Bond Indenture, and is valid and binding upon the Issuer, will not be materially adverse to the interests of the Owners and will not, in and of itself, cause the interest on any of the Tax-Exempt Bonds to be includible in gross income for federal income tax purposes.

Section 11.06 Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as provided in this Article may, and, if the Bond Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the Bond Trustee as to such action, and in that case upon demand of the Owner of any Bond Outstanding at such effective date and presentation of such Owner's Bond for the purpose at the Designated Office of the Bond Trustee or other agent responsible for transferring Bonds or upon any transfer of any Bond Outstanding at such effective date, suitable notation shall be made on such Bond or upon any Bond issued upon any such transfer by the Bond Trustee or other agent responsible for transferring Bonds as to any such action. If the Bond Trustee shall so determine, new Bonds so modified as directed by the Bond Trustee to conform to such action shall be prepared, authenticated and delivered, and upon demand of the Owner of any Bond Outstanding shall be exchanged, without cost to such Owner, for Bonds Outstanding, upon surrender of such Bonds, for Bonds of the same Series and maturity then Outstanding.

Section 11.07 Mailing. Any provision in this Article for the mailing of a notice or other instrument to Owners shall be fully complied with if it is mailed postage prepaid to each Owner of Bonds at the address, if any, appearing upon the Register and to the Bond Trustee.

ARTICLE XII

[RESERVED]

ARTICLE XIII

MISCELLANEOUS

Section 13.01 Evidence of Signatures of Owners and Ownership of Bonds.

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(a) Any request, consent, revocation of consent or other instrument which this Bond Indenture may require or permit to be signed and executed by the Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys appointed in writing. Proof of the execution of any such instrument, or of an instrument appointing any such attorney, shall be sufficient for any purpose of this Bond Indenture (except as otherwise herein expressly provided) if made in the following manner, or in any other manner satisfactory to the Bond Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(1) The fact and date of the execution by any Owner or such Owner's attorney of such instruments may be proved by a guarantee of the signature thereon by a bank or trust company or member of a national securities exchange or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the person signing such request or other instrument acknowledged the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution by an officer of a corporation or association or a member of a partnership, purports to be on behalf of such corporation, association or partnership, such signature guarantee, certificate or affidavit shall also constitute sufficient proof of such officer's or member's authority.

(2) The amount of Bonds transferable by delivery held by any Person executing any instrument as an Owner, the date of such Person's holding such Bonds, and the numbers and other identification of such Bonds, may be proved by a certificate, which need not be acknowledged or verified, in form satisfactory to the Bond Trustee, executed by the Bond Trustee or by a member of a financial firm or by an officer of a bank, trust company, insurance company or financial corporation or other depository wherever situated, showing at the date mentioned that such person exhibited to such member or officer or had on deposit with such depository the Bonds described in such certificate. Such certificate may be given by a member of a financial firm or by an officer of any bank, trust company, insurance company or financial corporation or depository with respect to Bonds owned by it, if acceptable to the Bond Trustee. In addition to the foregoing provisions, the Bond Trustee may from time to time make such reasonable regulations as it may deem advisable permitting other proof of holding of Bonds transferable by delivery.

(b) The ownership of Bonds and the amount, numbers and other identification, and date of holding the same shall be provided by the Registrar.

(c) Any request or consent by the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Issuer or any agent in accordance herewith.

(d) In determining whether the Owners of the requisite percentage of the Series of Bonds have been met for any request, consent, approval or other action required hereunder from such Owners, such requisite percentage shall be based upon the principal amount of all of the Bonds of such Series then Outstanding.

Section 13.02 Money Held for Particular Bonds. Subject to the provisions of Section 13.04, the amounts held by the Bond Trustee for the payment of the interest or principal

or Redemption Price due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of the Bonds entitled thereto.

Section 13.03 Preservation and Inspection of Documents. All documents received by the Bond Trustee under the provisions of this Bond Indenture shall be retained in its possession and shall be subject at all reasonable times upon reasonable notice to the inspection of the Issuer, and any Owner and their agents and their representatives, any of whom may make copies thereof at the expense of the party so requesting.

Section 13.04 Parties Interested Herein. Nothing in this Bond Indenture or any Supplemental Bond Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person, other than the Issuer, the Bond Trustee and the Owners, any right, remedy or claim under or by reason of this Bond Indenture or any Supplemental Bond Indenture or any covenant, condition or stipulation hereof or thereof; and all the covenants, stipulations, promises and agreements in this Bond Indenture and each Supplemental Bond Indenture contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Bond Trustee and the Owners thereunto appertaining.

Section 13.05 No Recourse on the Bonds. No recourse shall be had for the payment of the principal or Redemption Price of or interest on the Bonds or for any claim based thereon or for any other obligation under this Bond Indenture or on any Supplemental Bond Indenture against any officer or employee of the Issuer or the Bond Trustee or any person executing or authenticating the Bonds.

Section 13.06 No Issuer or Individual Liability. No Issuer Indemnified Parties shall be individually or personally liable for the payment of any principal, Redemption Price, or interest on the Bonds or any costs incidental thereto or any sum hereunder or under the Loan Agreement or any claim based thereon, or be subject to any personal liability or accountability by reason of the execution and delivery of this Bond Indenture or the Loan Agreement.

Section 13.07 Bond Indenture and Supplemental Bond Indentures to Constitute Contracts. The rights of any persons to indemnity hereunder and rights to payment of fees and reimbursement of expenses shall survive the final payment or defeasance of the Bonds and in the case of the Bond Trustee any resignation or removal. The provisions of this Section shall remain valid and in effect notwithstanding payment, redemption or defeasance of the Bonds or termination of this Bond Indenture. In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time, this Bond Indenture and each Supplemental Bond Indenture shall be deemed to be and shall constitute a contract among the Issuer, the Bond Trustee and the Owners; and the pledge made in this Bond Indenture and the covenants and agreements herein to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as otherwise provided in or permitted by this Bond Indenture or Supplemental Bond Indenture.

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Section 13.08 Notice. Any notice, demand, direction, request or other instrument authorized or required by this Bond Indenture to be given to or filed with the Issuer or the Bond Trustee shall be deemed to have been given only upon receipt. Any notice shall be sent by (i) e-mail or (ii) facsimile, and in either case followed by a hard copy via registered or certified mail or by overnight delivery, postage prepaid, to the address specified below or to such other address as may be designated in writing by the parties:

Issuer: Capital Trust Authority
315 Fairpoint Drive
Gulf Breeze, Florida 32561
Attention: Executive Director
Phone: (850) 934-4046

with copy to: Bryant Miller Olive P.A.
400 North Tampa Street, Suite 1600
Tampa, Florida 33602
Attention: Kareem J. Spratling, Esq.
Phone: (813) 273-6677
Email: kspratling@bmolaw.com

Bond Trustee: UMB BANK, N.A.
7155 Lake Drive, Suite 120
West Des Moines, Iowa 50266
Attention: Minda Barr
Phone: (515) 368-6064
Email: Minda.barr@umb.com

Section 13.09 Governing Law. This Bond Indenture and each Supplemental Bond Indenture shall be governed in all respects, including validity, interpretation and effect, by, and shall be enforceable in accordance with, the laws of the State without regard to conflict of laws principles. Subject to the rights of the Bond Trustee to assert claims and take actions with respect to the Projects in the states in which the Projects are located, all claims of whatever character arising out of this Bond Indenture or any Supplemental Bond Indenture, or under any statute or common law relating in any way, directly or indirectly, to the subject matter hereof or to the dealings between the Issuer and any other party hereto, if and to the extent that such claim potentially could or actually does involve the Issuer or any Issuer Indemnified Party, shall be brought in any state or federal court of competent jurisdiction located in Santa Rosa County, Florida. By executing and delivering this Bond Indenture, each party hereto irrevocably; (i) accepts generally and unconditionally the exclusive jurisdiction and venue of such courts; (ii) waives any defense of *forum non conveniens*; (iii) agrees not to seek removal of such proceedings to any court or forum other than as specified above. The foregoing shall not be deemed or construed to constitute a waiver by the Issuer of any prior notice or procedural requirements applicable to actions or claims against or involving joint powers commissions or governmental units of the State that may exist at the time of and in connection with such matter. The Issuer does not waive its right to a trial by jury.

Section 13.10 Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this Bond Indenture or any Supplemental Bond Indenture on the part of the Issuer or the Bond Trustee to be performed shall be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Bond Indenture or any Supplemental Bond Indenture.

Section 13.11 Successors. Whenever in this Bond Indenture or any Supplemental Bond Indenture the Issuer or the Bond Trustee is named or referred to, it shall be deemed to include any entity succeeding to the principal functions and powers of the Issuer or the Bond Trustee, as appropriate, and all the covenants and agreements in this Bond Indenture and each Supplemental Bond Indenture by or on behalf of the Issuer or the Bond Trustee shall bind and inure to the benefit of said successor whether so expressed or not. Notwithstanding the foregoing, it is specifically acknowledged and agreed that, to the extent of their rights hereunder (including, without limitation, their rights to immunity and exculpation from pecuniary liability), each Issuer Indemnified Party is a third-party beneficiary of this Bond Indenture entitled to enforce such rights in his, her, its, or their own name.

Section 13.12 Business Days. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Bond Indenture, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in this Bond Indenture, and no interest shall accrue for the period after such nominal date.

Section 13.13 Execution in Several Counterparts. This Bond Indenture may be simultaneously executed in several counterparts, all of which shall constitute one and the same instrument and each of which shall be, and shall be deemed to be, an original. The parties hereto agree the transactions described herein may be conducted and related documents may be sent and stored by electronic means.

Section 13.14 Non-Liability of Issuer; Other Issuer Provisions. The Issuer shall not be obligated to pay the principal of, Redemption Price, or interest on the Bonds or any costs incidental thereto, including the costs and expenses of the Projects and indemnification of the Bond Trustee, except as payable from Revenues available therefor under this Bond Indenture. The Issuer shall not be directly, indirectly, contingently or otherwise liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind on any conceivable theory, under or by reason of or in connection with this Bond Indenture, any Supplemental Bond Indenture, the Bonds or the Loan Agreement or any other documents related to the Bonds or the Projects, except only to the extent amounts are received for the payment thereof from the Borrower under the Loan Agreement.

The Bond Trustee hereby acknowledges that the Issuer's sole source of moneys to repay the Bonds will be provided by the Revenues available therefor under this Bond Indenture, and hereby agrees that if such amounts shall ever prove insufficient to pay all principal of, premium, if any, and interest on the Bonds as the same shall become due (whether by maturity, redemption, acceleration or otherwise) or any costs incidental thereto, then the Bond Trustee shall give notice to the Borrower in accordance with Section 9.03 to pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal, premium, if any, or

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interest, or costs incidental thereto including, but not limited to, any deficiency caused by acts, omissions, nonfeasance or malfeasance on the part of the Bond Trustee, the Borrower, the Issuer or any third party, subject to any right of reimbursement from the Bond Trustee, the Issuer or any such third party, as the case may be, therefor.

Notwithstanding anything to the contrary contained herein or in any of the Bonds, the Bond Documents or the Borrower Documents, or in any other instrument or document executed by or on behalf of the Issuer in connection herewith, (i) the Issuer shall have no obligation to take action under the Loan Agreement, this Bond Indenture, the Bonds or such other instruments or documents, unless the Issuer is reasonably requested in writing by an appropriate person to take such action and is provided with indemnity and assurances satisfactory to it of payment of or reimbursement for any indemnity to persons identified by the Issuer, and expenses (including attorneys' fees) in such action, (ii) neither the Issuer nor any member, director, officer, employee, attorney or agent of the Issuer shall be personally liable to the Borrower, the Bond Trustee, Beneficial Owners of the Bonds or any other person for any action taken by the Issuer or by its officers, agents or employees or for any failure to take action under this Bond Indenture, the Loan Agreement, the Bonds or such other instruments or documents, except that the Issuer agrees to take, or to refrain from taking, any action if so required by an injunction or if required to comply with any final judgment for specific performance, and (iii) any judgment rendered against the Issuer for breach of its obligations under this Bond Indenture, the Loan Agreement, the Bonds or such other instruments or documents, shall be payable solely from the revenues derived by the Issuer under the Loan Agreement and this Bond Indenture, and no personal liability or charge payable directly or indirectly from the general funds of the Issuer shall arise therefrom.

No agreements or provisions contained in this Bond Indenture nor any agreement, covenant or undertaking by the Issuer contained in any document executed by the Issuer in connection with the Projects or the issuance, sale and delivery of the Bonds shall give rise to any pecuniary liability of the Issuer or a charge against its general credit, or shall obligate the Issuer financially in any way except with respect to the application of revenues therefrom and the proceeds of the Bonds. No failure of the Issuer to comply with any term, condition, covenant or agreement herein shall subject the Issuer, its incorporators, members, directors, officers, employees, agents and counsel to liability for any claim for damages, costs or other financial or pecuniary charge except to the extent that the same can be paid or recovered from the Loan Agreement or revenues therefrom that have been pledged to payment of the Bonds or proceeds of the Bonds. Nothing herein shall preclude a proper party in interest from seeking and obtaining, to the extent permitted by law, specific performance against the Issuer for any failure to comply with any term, condition, covenant or agreement herein; provided, that (i) prior to the official filing of any petition or complaint against the Issuer, provision shall have been made in a manner satisfactory to the Issuer, for payment of its costs and expenses relating to any such petition or complaint and (ii) no costs, expenses, damages or other monetary relief shall be recoverable from the Issuer or its members, trustees, officers, directors, employees, agents and counsel except as may be payable from funds paid pursuant to or recovered in accordance with the Loan Agreement or revenues therefrom that have been pledged to payment of the Bonds or the proceeds of the Bonds.

The Issuer shall be under no obligation to institute any suit or to take any remedial proceeding in the Event of a Default under this Bond Indenture or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution

of any of the trusts hereby created or in the enforcement of any rights and powers hereunder, including, without limitation, its acceptance or possession of a Project or any component thereof, until it shall be indemnified to its satisfaction against any and all costs, expenses, outlays and counsel fees and other disbursements, and against all liability. The Issuer nevertheless may, in its sole discretion, but is not required to, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Issuer, without indemnity, and in such case the Issuer shall be entitled to reimbursement from any money under this Bond Indenture and, subject to the prior rights of the Bond Trustee, shall be entitled to a preference therefor over any Bonds Outstanding hereunder.

The Issuer shall be entitled to advice of counsel concerning all matters under this Bond Indenture and its duties under this Bond Indenture or the other Bond Documents. The Issuer may in all cases pay such compensation to such attorneys, agents and receivers and shall be entitled to reimbursement from the Borrower for all such compensation paid. The Issuer may act upon the opinion or advice of counsel, accountants, or such other professionals as the Issuer deems necessary and selected by it. The Issuer shall not be responsible for any loss or damage resulting from any action or nonaction based on its good faith reliance upon such opinion or advice.

The permissive right of the Issuer to do things enumerated in this Bond Indenture or in the other Bond Documents to which the Issuer is a party shall not be construed as duties until specifically undertaken by the Issuer. The Issuer shall only be responsible for the performance of the duties expressly set forth in this Bond Indenture or in the other Bond Documents to which it is a party and shall not be answerable for other than its willful misconduct in the performance of those express duties.

The Issuer shall be protected in acting upon any Opinion of Counsel, notice, request, consent, direction, requisition, certificate, order, affidavit, letter, or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons and which is not contrary to the express terms of this Bond Indenture or the other Bond Documents. Any action taken by the Issuer pursuant thereto upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Beneficial Owner of any Bond as shown on the bond register will be conclusive and binding upon all future Beneficial Owners of the same Bonds and upon Bonds issued in exchange therefor or in place of such Bonds.

Section 13.15 No Obligation to Enforce Assigned Rights. Notwithstanding anything to the contrary in this Bond Indenture, the Issuer shall have no obligation to and instead the Bond Trustee or the Owners, as the case may be, in accordance with this Bond Indenture or the Loan Agreement, shall have the right, without any direction from or action by the Issuer, to take any and all steps, actions and proceedings, to enforce any or all rights of the Issuer (other than the Issuer's Reserved Rights) under this Bond Indenture or the Loan Agreement, including, without limitation, the rights to enforce the remedies upon the occurrence and continuation of an Event of Default and the obligations of the Borrower under the Loan Agreement.

Section 13.16 Issuer's Performance. None of the provisions of this Bond Indenture shall require the Issuer to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless

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payable from the Revenues available therefor under this Bond Indenture, or unless the Issuer shall first have been adequately indemnified to its satisfaction against the cost, expense, and liability which may be incurred thereby. The Issuer shall not be under any obligation hereunder to perform any administrative service with respect to the Bonds or the Projects (including, without limitation, record keeping and legal services), it being understood that such services shall be performed or provided by the Bond Trustee or the Borrower The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions expressly contained in this Bond Indenture, the Loan Agreement, and any and every Bond executed, authenticated and delivered hereunder; provided, however, that the Issuer shall not be obligated to take any action or execute any instrument pursuant to any provision hereof unless and until it shall have (i) been directed to do so in writing by the Bond Trustee or the Owners having the authority to so direct; (ii) received from the Person requesting such action or execution assurance satisfactory to the Issuer that the Issuer's expenses incurred or to be incurred in connection with taking such action or executing such instrument have been or will be paid or reimbursed to the Issuer; and (iii) if applicable, received in a timely manner the instrument or document to be executed, in form and substance satisfactory to the Issuer.

In complying with any provision herein or in the Loan Agreement, including but not limited to any provision requiring the Issuer to "cause" another Person to take or omit any action, the Issuer shall be entitled to rely conclusively (and without independent investigation or verification) (i) on the faithful performance by the Bond Trustee or the Borrower, as the case may be, of their respective obligations hereunder and under the Loan Agreement and (ii) upon any written certification or opinion furnished to the Issuer by the Bond Trustee or the Borrower, as the case may be. In acting, or in refraining from acting, under this Agreement, the Issuer may conclusively rely on the advice of its counsel. The Issuer shall not be required to take any action hereunder or under the Loan Agreement that it reasonably believes to be unlawful or in contravention hereof or thereof.

Section 13.17 No Impairment of Rights. Nothing herein shall be deemed or construed to limit, impair or affect in any way the Issuer's (or any Issuer Indemnified Party's) right to enforce the Issuer's Reserved Rights, regardless of whether there is then existing an Event of Default (including, without limitation, a payment default), or any action based thereon or occasioned by an Event of Default or alleged Event of Default, and regardless of any waiver or forbearance granted by the Bond Trustee or any Owner in respect thereof. Any default in respect of the Issuer's Reserved Rights may only be waived with the Issuer's written consent.

[Remainder of Page Intentionally Left Blank | Signature Page Follows]

IN WITNESS WHEREOF, the Issuer has caused this Bond Indenture to be executed on its behalf by an Authorized Issuer Representative, and the Bond Trustee has caused this Bond Indenture to be executed on its behalf by its duly authorized representative, all as of the day and year first written above.

CAPITAL TRUST AUTHORITY

By: _____
Name: Chris Kemp
Title: Chair

ATTEST:

By: _____
Name: Cherry Fitch
Title: Secretary

[First Signature Page | Bond Indenture]

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UMB BANK, N.A., as Bond Trustee

By: _____
Authorized Representative

[Second Signature Page | Bond Indenture]

EXHIBIT A

FORMS OF SERIES 2025A BONDS

REGISTERED REGISTERED

No. RA-[1][2]-____ $_____

CAPITAL TRUST AUTHORITY
[TAXABLE] SENIOR LIVING FACILITIES
SENIOR LIEN REVENUE BONDS, SERIES 2025A
(ALPHA LIFESTYLE PARTNERS, INC. PROJECT)

THIS BOND MAY NOT BE TRANSFERRED BY THE REGISTERED OWNER HEREOF (I) EXCEPT IN AUTHORIZED DENOMINATIONS AND (II) TO ANY PERSON OTHER THAN TO A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT OF 1933, AS AMENDED) OR AN "ACCREDITED INVESTOR" (AS DEFINED IN REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED) UNLESS THE BOND TRUSTEE AND THE ISSUER HAVE RECEIVED AN INVESTMENT GRADE NOTICE AS MORE PARTICULARLY DESCRIBED IN THE BOND INDENTURE.

Interest Rate	Maturity Date	Dated Date	CUSIP No.
[___]%	January 1, 20**[__]**	_____ __, 2025	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The Capital Trust Authority (the "Issuer"), for value received, hereby promises to pay upon surrender hereof at the designated corporate trust office of UMB Bank, N.A., or any successor thereto (the "Bond Trustee"), solely from the sources and as herein and in the Bond Indenture provided and permitted, to the Registered Owner hereof, the principal sum stated above on the maturity date stated above, subject to prior redemption as herein provided, and to pay, solely from such sources, interest hereon semiannually on each January 1 and July 1 (each, an "Interest Payment Date"), beginning January 1, 2026, at the Interest Rate stated above. Interest is payable from (a) the Dated Date set forth above, if this Series 2025A Bond is authenticated prior to January 1, 2026, or (b) otherwise from the January 1 or July 1, that is, or immediately precedes, the date on which this Series 2025A Bond is authenticated (unless payment of interest hereon is in default, in which case this Series 2025A Bond shall bear interest from the date to which interest has been paid). Interest is payable on each Interest Payment Date (1) by check mailed on such date to the Owner hereof at such Owner's address as it appears on the Register, as defined in the Bond Indenture, as hereafter defined, as of the close of business on the 15th day of the calendar month (whether or not a Business Day) preceding such Interest Payment Date (the "Record Date"), or (2)

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by wire transfer in accordance with a written notice and completed wire instructions for a wire transfer address in the United States provided by the Owner hereof to the Bond Trustee not less than 15 days prior to such Interest Payment Date (which notice may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked by subsequent notice); provided, that such wire transfer shall only be made for a registered owner of $1,000,000 or more in aggregate principal amount of the Series 2025A Bonds as of the close of business on the Record Date for such Interest Payment Date. This Series 2025A Bond shall be payable as to principal and Redemption Price, as defined in the Bond Indenture, and interest in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THIS SERIES 2025A BOND IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY OUT OF THE TRUST ESTATE. THIS SERIES 2025A BOND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE CITY OF GULF BREEZE, FLORIDA OR THE CITY OF QUINCY, FLORIDA (COLLECTIVELY, "THE SPONSORING POLITICAL SUBDIVISIONS"), THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS SERIES 2025A BOND. NO COVENANT OR AGREEMENT CONTAINED IN THIS SERIES 2025A BOND OR THIS BOND INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING THIS SERIES 2025A BOND BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE SERIES 2025A BONDS. THE ISSUER HAS NO TAXING POWER.

No recourse under or upon any obligation, covenant or agreement contained in the Bond Documents or the Borrower Documents, or under any judgment obtained against the Issuer, or the enforcement of any assessment, or any legal or equitable proceedings by virtue of any constitution or statute or otherwise, or under any circumstances under or independent of the Bond Indenture, or any claim based thereon or otherwise in respect thereof shall be had against the Sponsoring Political Subdivisions or the Issuer or any incorporator, member, director, officer, employee, agent or counsel as such, past, present or future of the Issuer or the Sponsoring Political Subdivisions, either directly or through the Issuer, the Bond Trustee or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to the Owner of any Series 2025A Bond issued under the Bond Indenture, or otherwise, of any sum that may be due and unpaid by the Issuer upon any such Bond. Any and all personal liability of every nature whether at common law or in equity or by statute or by constitution or otherwise of any such incorporator, member, director, officer, employee, agent or counsel, as such, to respond by reason of any act or omission on his part or

otherwise, for the payment for or to the Owner of any Series 2025A Bond issued under the Bond Indenture or otherwise of any sum that may remain due and unpaid upon this Series 2025A Bond thereby secured or any of them is, by the acceptance hereof, expressly waived and released as a condition of and in consideration for the execution of the Bond Indenture and the issuance of the Series 2025A Bonds.

This Series 2025A Bond is one of an issue of $[A PAR] Capital Trust Authority Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025A Bonds"), issued for the purpose of making a loan to Alpha Lifestyle Partners, Inc., a Delaware nonstock corporation (the "Borrower") to finance the acquisition by the Borrower of the Projects, as defined in the Bond Indenture, and for certain other purposes.

This Series 2025A Bond and the premium, if any, and the interest hereon are special limited obligations of the Issuer and are payable solely from the Revenues, as defined in the Bond Indenture, and other assets pledged under the Bond Indenture, all in accordance with the Bond Indenture.

The Series 2025A Bonds are issued under a Bond Indenture dated as of _____ 1, 2025 (the "Bond Indenture"), between the Issuer and the Bond Trustee. Reference is hereby made to the Bond Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer, the rights of the Owners, as defined in the Bond Indenture, of the Series 2025A Bonds and the terms upon which the Series 2025A Bonds are issued and secured. Concurrently with the issuance of the Series 2025A Bonds, the Issuer is issuing its Capital Trust Authority Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025B Bonds") in the initial principal amount of $[B PAR].

The Series 2025A Bonds are subject to redemption on the dates, and upon the terms and conditions, set forth in the Bond Indenture.

No Owner of any Series 2025A Bond shall have any right to institute any suit, action or proceedings at law or in equity for the appointment of a receiver or for any other remedy under the Bond Indenture or by reason thereof, except to the extent and in the circumstances permitted by the Bond Indenture.

The Issuer and the Bond Trustee may deem and treat the person in whose name this Series 2025A Bond shall be registered in the Register as the absolute owner of this Series 2025A Bond, whether this Series 2025A Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price of and interest on this Series 2025A Bond and for all other purposes, and the Issuer and the Bond Trustee shall not be affected by any notice to the contrary. Notwithstanding the foregoing, interest on this Series 2025A Bond, other than interest payable at maturity or on a Redemption Date, shall be paid to the Person, as defined in the Bond Indenture, in whose name this Series 2025A Bond is registered on the Register at the close of business on the Record Date for such Interest Payment Date.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Series 2025A Bond have happened, exist and have been performed.

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This Series 2025A Bond shall not be valid or entitled to any security or benefit under the Bond Indenture until the Bond Trustee shall have manually executed the certificate of authentication appearing hereon and inserted the date of authentication hereon.

IN WITNESS WHEREOF, the Issuer has caused this Series 2025A Bond to be executed by its Chair by his manual or facsimile signature and has caused this Series 2025A Bond to be attested by its [Secretary] by his manual or facsimile signature, all as of the Dated Date set forth above.

.

CAPITAL TRUST AUTHORITY

By: _____
Name: Chris Kemp
Title: Chair

ATTEST:

By: _____
Name:
Title: [Secretary]

CERTIFICATE OF AUTHENTICATION

This Series 2025A Bond is one of the Series 2025A Bonds of the issue described in the within-mentioned Bond Indenture.

Dated: _____ __, 2025

UMB BANK, N.A.,
as Bond Trustee

By: _____
Authorized Officer

CERTIFICATE OF VALIDATION

This Series 2025A Bond is one of a Series of Bonds which were validated by final judgment of the Circuit Court of the Second Judicial Circuit, Leon County, Florida rendered on [May 14, 2024].

By: _____
Chair

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ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Series 2025A Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer the same on the registration books maintained by the Bond Trustee with full power of substitution in the premises.

Dated: _____ _____

Note: The signature(s) to this Assignment must correspond with the Registered Owner of the within Series 2025A Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

Social Security Number, Taxpayer Identification Number or Other Identifying Number of Assignee:

_____ _____

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange, the National Association of Securities Dealers or a commercial bank or trust company.

EXHIBIT B

FORM OF SERIES 2025B BONDS

REGISTERED REGISTERED

No. RC-__ $_____

CAPITAL TRUST AUTHORITY
SENIOR LIVING FACILITIES
JUNIOR LIEN REVENUE BONDS, SERIES 2025B
(ALPHA LIFESTYLE PARTNERS, INC. PROJECT)

THIS BOND MAY NOT BE TRANSFERRED BY THE REGISTERED OWNER HEREOF (I) EXCEPT IN AUTHORIZED DENOMINATIONS AND (II) TO ANY PERSON OTHER THAN TO A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT OF 1933, AS AMENDED) OR AN "ACCREDITED INVESTOR" (AS DEFINED IN REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED) THAT, IN EITHER CASE, HAVE PROVIDED AN INVESTOR LETTER TO THE BOND TRUSTEE AND ISSUER UNLESS THE BOND TRUSTEE AND THE ISSUER HAVE RECEIVED AN INVESTMENT GRADE NOTICE AS MORE PARTICULARLY DESCRIBED IN THE BOND INDENTURE. IN ADDITION, PRIOR TO JANUARY 1, 2033, THE PURCHASER OR TRANSFEREE OF THIS BOND MUST BE TRINITY INVESTORS, LLC, A TEXAS LIMITED LIABILITY COMPANY, OR ANY SUCCESSOR OR AFFILIATE THEREOF

Interest Rate	Maturity Date	Dated Date	CUSIP No.
[___]%	January 1, 20**[__]**	_____ __, 2025	

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ DOLLARS

The Capital Trust Authority (the "Issuer"), for value received, hereby promises to pay upon surrender hereof at the designated corporate trust office of UMB Bank, N.A., or any successor thereto (the "Bond Trustee"), solely from the sources and as herein and in the Bond Indenture provided and permitted, to the Registered Owner hereof, the principal sum stated above on the maturity date stated above, subject to prior redemption as herein provided, and to pay, solely from such sources, interest hereon semiannually on each January 1 and July 1 (each, an "Interest Payment Date"), beginning January 1, 2026, at the Interest Rate stated above, but only to the extent funds are available to make such payments and, if not, such interest shall accrue but not compound. Interest is payable from (a) the Dated Date set forth above, if this Series 2025B Bond is authenticated prior to January 1, 2026, or (b) otherwise from the January 1 or July 1, that is, or immediately precedes, the date on which this Series 2025B Bond is authenticated (unless payment of interest hereon is in default, in which case this Series 2025B Bond shall bear interest from the

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date to which interest has been paid). Interest is payable on each Interest Payment Date (1) by check mailed on such date to the Owner hereof at such Owner's address as it appears on the Register, as defined in the Bond Indenture, as hereafter defined, as of the close of business on the 15th day of the calendar month (whether or not a Business Day) preceding such Interest Payment Date (the "Record Date"), or (2) by wire transfer in accordance with a written notice and completed wire instructions for a wire transfer address in the United States provided by the Owner hereof to the Bond Trustee not less than 15 days prior to such Interest Payment Date (which notice may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked by subsequent notice); provided, that such wire transfer shall only be made for a registered owner of $1,000,000 or more in aggregate principal amount of the Series 2025B Bonds as of the close of business on the Record Date for such Interest Payment Date. This Series 2025B Bond shall be payable as to principal and Redemption Price, as defined in the Bond Indenture, and interest in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THIS SERIES 2025B BOND IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY OUT OF THE TRUST ESTATE. THIS SERIES 2025B BOND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE CITY OF GULF BREEZE, FLORIDA OR THE CITY OF QUINCY, FLORIDA (COLLECTIVELY, "THE SPONSORING POLITICAL SUBDIVISIONS"), THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS SERIES 2025B BOND. NO COVENANT OR AGREEMENT CONTAINED IN THIS SERIES 2025B BOND OR THIS BOND INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING THIS SERIES 2025B BOND BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE SERIES 2025B BONDS. THE ISSUER HAS NO TAXING POWER.

No recourse under or upon any obligation, covenant or agreement contained in the Bond Documents or the Borrower Documents, or under any judgment obtained against the Issuer, or the enforcement of any assessment, or any legal or equitable proceedings by virtue of any constitution or statute or otherwise, or under any circumstances under or independent of the Bond Indenture, or any claim based thereon or otherwise in respect thereof shall be had against the Sponsoring Political Subdivisions or the Issuer or any incorporator, member, director, officer, employee, agent or counsel as such, past, present or future of the Issuer or the Sponsoring Political Subdivisions,

either directly or through the Issuer, the Bond Trustee or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to the Owner of any Series 2025B Bond issued under the Bond Indenture, or otherwise, of any sum that may be due and unpaid by the Issuer upon any such Bond. Any and all personal liability of every nature whether at common law or in equity or by statute or by constitution or otherwise of any such incorporator, member, director, officer, employee, agent or counsel, as such, to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Owner of any Series 2025B Bond issued under the Bond Indenture or otherwise of any sum that may remain due and unpaid upon this Series 2025B Bond thereby secured or any of them is, by the acceptance hereof, expressly waived and released as a condition of and in consideration for the execution of the Bond Indenture and the issuance of the Series 2025B Bonds.

This Series 2025B Bond is one of an issue of $[B PAR] Capital Trust Authority Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025B Bonds"), issued for the purpose of making a loan to Alpha Lifestyle Partners, Inc., a Delaware nonstock corporation (the "Borrower") to finance the acquisition by the Borrower of the Projects, as defined in the Bond Indenture, and for certain other purposes.

This Series 2025B Bond and the premium, if any, and the interest hereon are limited obligations of the Issuer and are payable from the Revenues, as defined in the Bond Indenture, and other assets pledged under the Bond Indenture, all in accordance with the Bond Indenture.

The Series 2025B Bonds are issued under a Bond Indenture dated as of _____ 1, 2025 (the "Bond Indenture"), between the Issuer and the Bond Trustee. Reference is hereby made to the Bond Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer, the rights of the Owners, as defined in the Bond Indenture, of the Series 2025B Bonds and the terms upon which the Series 2025B Bonds are issued and secured. Concurrently with the issuance of the Series 2025B Bonds, the Issuer is issuing its Capital Trust Authority Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025A Bonds") in the aggregate principal amount of $[A PAR].

THE SERIES 2025B BONDS ARE SUBORDINATE TO THE SERIES 2025A BONDS IN PAYMENT AND SECURITY. So long as any Series 2025A Bonds are Outstanding, the Series 2025A Bond "Controlling Party" (as defined under the Bond Indenture) shall have the sole right to consent to or direct certain actions of the Bond Trustee under the Bond Indenture, including actions in event of default. Amounts on deposit in the Senior Lien Debt Service Reserve Fund and certain other Funds are not available to pay the principal or Redemption Price of or interest on the Series 2025B Bonds.

The Series 2025B Bonds are subject to redemption on the dates, and upon the terms and conditions, set forth in the Bond Indenture.

No Owner of any Series 2025B Bond shall have any right to institute any suit, action or proceedings at law or in equity for the appointment of a receiver or for any other remedy under the

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Bond Indenture or by reason thereof, except to the extent and in the circumstances permitted by the Bond Indenture.

The Issuer and the Bond Trustee may deem and treat the person in whose name this Series 2025B Bond shall be registered in the Register as the absolute owner of this Series 2025B Bond, whether this Series 2025B Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price of and interest on this Series 2025B Bond and for all other purposes, and the Issuer and the Bond Trustee shall not be affected by any notice to the contrary. Notwithstanding the foregoing, interest on this Series 2025B Bond, other than interest payable at maturity or on a Redemption Date, shall be paid to the Person, as defined in the Bond Indenture, in whose name this Series 2025B Bond is registered on the Register at the close of business on the Record Date for such Interest Payment Date.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Series 2025B Bond have happened, exist and have been performed.

This Series 2025B Bond shall not be valid or entitled to any security or benefit under the Bond Indenture until the Bond Trustee shall have executed the certificate of authentication appearing hereon and inserted the date of authentication hereon.

IN WITNESS WHEREOF, the Issuer has caused this Series 2025B Bond to be executed by its Chair by his manual or facsimile signature and has caused this Series 2025B Bond to be attested by its [Secretary] by his manual or facsimile signature, all as of the Dated Date set forth above.

CAPITAL TRUST AUTHORITY

By: _____
Name: Chris Kemp
Title: Chair

ATTEST:

By: _____
Name:
Title: [Secretary]

CERTIFICATE OF AUTHENTICATION

This Series 2025B Bond is one of the Series 2025B Bonds of the issue described in the within-mentioned Bond Indenture.

Dated: _____ __, 2025

UMB BANK, N.A.,
as Bond Trustee

By: _____
Authorized Officer

CERTIFICATE OF VALIDATION

This Series 2025B Bond is one of a Series of Bonds which were validated by final judgment of the Circuit Court of the Second Judicial Circuit, Leon County, Florida rendered on [May 14, 2024].

By: _____
Chair

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ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Series 2025B Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer the same on the registration books maintained by the Bond Trustee with full power of substitution in the premises.

Dated: _____ _____

Note: The signature(s) to this Assignment must correspond with the Registered Owner of the within Series 2025B Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

_____

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange, the National Association of Securities Dealers or a commercial bank or trust company.

Social Security Number, Taxpayer Identification Number or Other Identifying Number of Assignee:

_____

EXHIBIT C

FORM OF INVESTOR LETTER

relating to

$_____
Capital Trust Authority
Senior Living Facilities
Senior Lien Revenue Bonds, Series 2025A
(Alpha Lifestyle Partners, Inc. Project)
(the "Series 2025A Bonds")

$_____
Capital Trust Authority
Senior Living Facilities
Junior Lien Revenue Bonds, Series 2025B
(Alpha Lifestyle Partners, Inc. Project)
(the "Series 2025B Bonds")

[Closing Date]

Capital Trust Authority
315 Fairpoint Drive
Gulf Breeze, Florida 32561

Alpha Lifestyle Partners, Inc.
2102 East State Highway 114, Suite 300
Southlake, Texas 76092

Stifel, Nicolaus & Company, Incorporated
One Financial Plaza
501 North Broadway
St. Louis, Missouri 63102

Ladies and Gentlemen:

Reference is made to the Bond Indenture, dated as of _____ 1, 2025 (the "**Indenture**"), by and between the Capital Trust Authority (the "**Issuer**") and UMB Bank, N.A., a national banking association organized under the laws of the United States of America, as trustee (the "**Trustee**"), and a Loan Agreement, dated as of _____ 1, 2025 (the "**Loan Agreement**"), by and between the Issuer and Alpha Lifestyle Partners, Inc., a Delaware nonstock corporation (the "**Borrower**"). Capitalized terms not otherwise defined herein shall have the same meanings given to them in the Indenture.

[With respect to the initial purchase of the Series 2025B Bonds only, references to "purchase" or "purchased" in the paragraph immediately below and in the numbered paragraphs 1, 6, 8 and 11 may be edited to reference "acquisition" or "acquired".]

The undersigned [(the "**Investor**")][***-or-***, as investment advisor to the accounts(s) managed by it and listed on the signature page below (each, an "**Investor**")] has agreed to purchase [(a) $_____ aggregate principal amount of the Series 2025A Bonds][$_____ aggregate amount of the Series 2025B Bonds] (such bonds being purchased are referred to herein as the "**Bonds**"), which are being issued and delivered on the date of this letter (this "**Letter**").

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The undersigned is duly and legally authorized to execute and deliver this Letter and hereby represents and certifies as follows:

[**1.** The Investor has authority to purchase the Bonds and to execute this Letter and any other instruments and documents required to be executed by the Investor in connection with the Investor's purchase of the Bonds.]

[**1.** The undersigned is a duly appointed, qualified and acting representative of the Investor and is authorized to cause the Investor to make the certifications, representations and warranties contained herein by execution of this Letter on behalf of the Investor.]

2. The Investor is either (a) a "qualified institutional buyer" as defined under Rule 144A promulgated by the Securities and Exchange Commission pursuant to the Securities Act of 1933 (the "**Securities Act**"); or (b) an accredited investor (defined in Rule 501(a) of Regulation D under the 1933 Act, as amended) ("**Accredited Investor**").

3. The undersigned acknowledges:

(a) the Investor is purchasing the Bonds for investment, with no present intention of reselling the Bonds. Notwithstanding such present intention, the Investor is not prohibited from reselling the Bonds in the future; provided, however, that the Investor acknowledges and agrees that (i) unless and until: (1) the Trustee and the Issuer have received an Investment Grade Notice, and (2) the Trustee has received the written authorization and direction of the Issuer to remove the transfer restrictions described in this paragraph and (ii) unless any transfer is during an Investment Grade Period, the beneficial ownership of the Bonds may be resold or transferred only to either (a) a "qualified institutional buyer" as defined under Rule 144A promulgated by the Securities Act; or (b) an Accredited Investor; and only in Authorized Denominations [Series 2025B Bonds only: to an investor who has executed an investor letter substantially in the form hereof]. "Authorized Denominations" means $100,000 and any integral multiple of $5,000 in excess thereof, except that a Bond held by an Owner that has become held in a denomination of less than $100,000 as a result of a partial redemption of such Bond may be transferred or exchanged by such Owner or subsequent Owner but only to transferees permitted under the Indenture. The Investor further acknowledges that any transfer of its interest in any Bonds shall be made only in compliance with the requirements of any applicable securities laws, state and federal. A transfer in violation of these requirements shall be null and void; and

(b) to the extent the undersigned is purchasing the Bonds not on its own behalf but in its capacity as investment adviser to beneficial owners of separately managed accounts, such accounts will solely be for investors that meet the qualifications as set forth in the Indenture and as described in paragraph 2 above. The Investor understands that the Stifel, Nicolaus & Company, Incorporated (the "**Underwriter**") will not facilitate the establishment of such accounts and that the Bonds will be issued only in Authorized Denominations, and confirms that it will not facilitate the deposit of Bonds into accounts in violation of such limitations.

4. The Investor acknowledges and agrees that the Underwriter and the Issuer take no responsibility for, and make no representation to the Investor, or to any subsequent purchaser, with regard to a sale, transfer or other disposition of the Bonds in violation of the provisions of the Indenture, or any securities law or income tax law consequences thereof. The Investor also acknowledges that, with respect to the Issuer's obligations and liabilities, the Investor is solely responsible for compliance with the sales restrictions on the Bonds in connection with any subsequent transfer of Bonds made by the Investor.

5. The Investor acknowledges and accepts the following:

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER, PAYABLE SOLELY OUT OF THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE CITY OF GULF BREEZE, FLORIDA AND THE CITY OF QUINCY, FLORIDA (COLLECTIVELY, THE "SPONSORING POLITICAL SUBDIVISIONS"), THE STATE OF FLORIDA, OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OF FLORIDA OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OF FLORIDA, OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE BONDS OR THE INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING THE BONDS BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE BONDS. THE ISSUER HAS NO TAXING POWER.

NO RECOURSE UNDER OR UPON ANY OBLIGATION, COVENANT OR AGREEMENT CONTAINED IN THE BOND DOCUMENTS, OR UNDER ANY JUDGMENT OBTAINED AGAINST THE ISSUER, OR THE ENFORCEMENT OF ANY ASSESSMENT, OR ANY LEGAL OR EQUITABLE PROCEEDINGS BY VIRTUE OF ANY CONSTITUTION OR STATUTE OR OTHERWISE, OR UNDER ANY CIRCUMSTANCES UNDER OR INDEPENDENT OF THE INDENTURE, OR ANY CLAIM

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BASED THEREON OR OTHERWISE IN RESPECT THEREOF SHALL BE HAD AGAINST THE SPONSORING POLITICAL SUBDIVISIONS, OR THE ISSUER OR ANY INCORPORATOR, MEMBER, DIRECTOR, OFFICER, EMPLOYEE, AGENT OR COUNSEL AS SUCH, PAST, PRESENT OR FUTURE OF THE ISSUER, OR THE SPONSORING POLITICAL SUBDIVISIONS, EITHER DIRECTLY OR THROUGH THE ISSUER, THE TRUSTEE OR OTHERWISE, FOR THE PAYMENT FOR OR TO THE ISSUER OR ANY RECEIVER THEREOF, OR FOR OR TO THE BENEFICIAL OWNER OF ANY BOND ISSUED UNDER THE INDENTURE, OR OTHERWISE, OF ANY SUM THAT MAY BE DUE AND UNPAID BY THE ISSUER UPON ANY SUCH BOND. ANY AND ALL PERSONAL LIABILITY OF EVERY NATURE WHETHER AT COMMON LAW OR IN EQUITY OR BY STATUTE OR BY CONSTITUTION OR OTHERWISE OF ANY SUCH INCORPORATOR, MEMBER, DIRECTOR, OFFICER, EMPLOYEE, AGENT OR COUNSEL, AS SUCH, TO RESPOND BY REASON OF ANY ACT OR OMISSION ON HIS PART OR OTHERWISE, FOR THE PAYMENT FOR OR TO THE BENEFICIAL OWNER OF ANY BOND ISSUED UNDER THE INDENTURE OR OTHERWISE OF ANY SUM THAT MAY REMAIN DUE AND UNPAID UPON THE BOND THEREBY SECURED OR ANY OF THEM IS, BY THE ACCEPTANCE HEREOF, EXPRESSLY WAIVED AND RELEASED AS A CONDITION OF AND IN CONSIDERATION FOR THE EXECUTION OF THE INDENTURE AND THE ISSUANCE OF THE BONDS.

6. The Investor has received and reviewed the Preliminary Limited Offering Memorandum, dated _____ __, 2025 (the "**PLOM**") and the Limited Offering Memorandum, dated _____ __, 2025 (the "**LOM**"), including the information relating to: (i) the sources of repayment of the Bonds; (ii) the Projects (including their respective financial and operating data and the real property related thereto that will be subject to the Mortgages); (iii) the Borrower and the other Members of the Obligated Group (including their acquisition of the Projects in connection with the issuance of the Bonds); and (iv) such other material matters relating to the Bonds, the Borrower and the other members of the Obligated Group and such other information as the Investor deemed relevant in making an investment decision with respect to its purchase of the Bonds. Neither the Issuer nor the Underwriter has made any representations to the Investor or its representatives including the undersigned other than as set forth in the PLOM and LOM, as amended to the date of this Letter. The Investor acknowledges and accepts that it had the opportunity to ask questions of, and request additional information from, the Borrower regarding the information provided to it and any other matters that the Investor considered to be relevant to the Investor's decision to purchase the Bonds.

7. The Investor acknowledges and accepts that it has reviewed and has made its decision to invest in the Bonds based solely on its review of the information provided by the parties that supplied such information, such information including, but not limited to, the PLOM, LOM and investor presentation materials of the Borrower dated _____ __, 2025.

8. The Investor represents that it can bear the economic risk associated with its purchase of the Bonds and it has such knowledge and experience in business and financial matters, including the analysis of a participation in the purchase of similar investments, so as to be capable of evaluating the merits and risks of an investment in the Bonds on the basis of the information and review described herein.

9. The Investor acknowledges that the Bonds have not been registered with the Securities and Exchange Commission (in reliance upon an exemption from the Securities Act), have not been registered under the "blue sky" laws of any State, and will not be listed on any stock or securities exchange. The Investor further acknowledges that the Loan Agreement and the Indenture have not been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon exemptions contained in such act.

10. The Investor acknowledges and accepts that except for information in the PLOM and LOM concerning the Issuer contained under the captions "THE ISSUER" and "LITIGATION – The Issuer," the Issuer neither has nor will assume any responsibility as to the accuracy or completeness of information in the PLOM or the LOM.

11. The Investor is duly and legally authorized to purchase the Bonds.

12. The interpretation of the provisions hereof shall be governed and construed in accordance with State of Florida law without regard to principles of conflicts of laws.

(*Signature page follows*)

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This Letter and the statements contained herein are made for the benefit of the addressees hereto.

IN WITNESS WHEREOF, the undersigned has executed this Letter effective as of the day and year first written above.

Very truly yours,

[**INVESTOR NAME**

By:_____
Name:_____
Title:_____
]

[***-OR-***

INVESTMENT ADVISOR NAME

By:_____
Name:_____
Title:_____

Certification:

The representative of the Investment Advisor hereby certifies that the entities named below are the Investors in the Bonds:

Name	Allocation
[_____]	$_____
[_____]	$_____
Total:	$_____

]

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APPENDIX C-2

FORM OF THE LOAN AGREEMENT

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LOAN AGREEMENT

between

CAPITAL TRUST AUTHORITY,
as Issuer

and

ALPHA LIFESTYLE PARTNERS, INC.,
as Borrower

Relating to

Capital Trust Authority
Senior Living Facilities
Senior Lien Revenue Bonds, Series 2025A
(Alpha Lifestyle Partners, Inc. Project)

Senior Living Facilities
Junior Lien Revenue Bonds, Series 2025B
(Alpha Lifestyle Partners, Inc. Project)

Dated as of _____ 1, 2025

Pursuant to a Bond Indenture dated as of _____ 1, 2025, the rights of the Capital Trust Authority hereunder, other than the Issuer's Reserved Rights (as defined in the Bond Indenture referred to above), have been assigned to UMB BANK, N.A., as bond trustee under such Bond Indenture.

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LOAN AGREEMENT

This LOAN AGREEMENT, is made and entered into as of _____ 1, 2025 (this "Loan Agreement"), between the CAPITAL TRUST AUTHORITY, a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida (the "Issuer"), and ALPHA LIFESTYLE PARTNERS, INC., a Delaware nonstock corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Borrower").

W I T N E S S E T H:

WHEREAS, the Issuer is a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida (the "State") established for the purposes set forth under Section 163.01, Florida Statutes, Chapter 166, Part II, Florida Statutes, Chapter 617, Florida Statutes, and Chapter 159, Florida Statutes, each as amended; the Enabling Resolutions (as defined in the hereinafter defined Bond Indenture); Ordinance Number 04-00, enacted by the City Council of the City of Gulf Breeze, Florida ("Gulf Breeze") on May 15, 2000, as amended and supplemented by Ordinance No. 05-01, and Ordinance No. 10-11, enacted by Gulf Breeze on May 7, 2001 and September 6, 2011, respectively; the City Charter of Gulf Breeze; the City Charter of the City of Quincy, Florida; the Interlocal Agreement (as defined in the hereinafter defined Bond Indenture), with powers as a "local agency" under Chapter 159, Part II, Florida Statutes, and together with all of the home rule powers granted by the Constitution and laws of the State and all other applicable provisions of law (collectively, the "Act"); and

WHEREAS, by the Enabling Resolutions, Resolution No. 23-24 duly adopted by the Issuer on June 20, 2024 (the "Inducement Resolution") and Resolution No. 41-24, duly adopted by the Issuer on October 29, 2024, as supplemented by Resolution No. [__]-25, duly adopted by the Issuer on [_____], 2025 (together with the Inducement Resolution, the "Bond Resolution"), approvals have been duly and validly provided pursuant to the Act to issue revenue bonds for the purpose of providing funds to finance or refinance all or any part of the cost of the Projects (as hereinafter defined) which collectively constitutes a "project" as defined in the Act; and

WHEREAS, the Borrower has requested financial assistance from the Issuer in financing the acquisition, improvement, and/or equipping of certain senior living facilities as more particularly described in Exhibit B hereto (collectively, the "Projects"); and

WHEREAS, the Issuer has authorized the issuance of its (i) Capital Trust Authority Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025A Bonds"), and (ii) Capital Trust Authority Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025B Bonds", and together with the Series 2025A Bonds, the "Bonds"), in the aggregate principal amount of $[__], the net proceeds of which shall be loaned to the Borrower pursuant to this Loan Agreement to provide funds to the Borrower for the purpose of acquiring, improving, and/or equipping the Projects, paying costs of issuance of the Bonds and funding certain reserves; and

WHEREAS, Borrower has requested the Issuer to enter into this Loan Agreement specifying the terms and conditions of a loan by the Issuer to Borrower of the proceeds of the

Bonds and of the payment by Borrower to the Issuer of the amounts required for the payment of the principal of, and interest and premium, if any, on the Bonds and certain related expenses; and

WHEREAS, the Issuer and Borrower have each duly authorized the execution, delivery and performance of this Loan Agreement; and

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS; INTERPRETATION

Section 1.1 Definitions. Unless otherwise required by the context, all terms used herein shall have the meanings assigned to such terms in the Bond Indenture, dated as of _____ 1, 2025, between the Issuer and UMB BANK, N.A., as bond trustee, as amended or supplemented from time to time (as so amended or supplemented, the "Bond Indenture").

Section 1.2 Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender, as appropriate.

(b) Any headings preceding the texts of the several Articles and Sections of this Loan Agreement, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Loan Agreement, nor shall they affect its meaning, construction or effect.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Loan Agreement; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Loan Agreement as a whole and not to any particular Article, Section or subdivision hereof.

(d) Every "request," "order," "demand," "application," "appointment," "notice," "statement," "certificate," "consent," "direction" or similar action under this Loan Agreement by any party must be in writing and signed by a duly authorized representative of such party with a duly authorized signature.

(e) Whenever the word "includes" or "including" is used, such word means "includes or including by way of example and not limitation."

(f) All references in this Loan Agreement to "counsel fees," "attorneys' fees" or the like mean and include fees and disbursements allocable to in-house or outside counsel, whether or not suit is instituted, and including fees and disbursements preparatory to and during any proceedings of a governmental or regulatory body, judicial or administrative hearing, trial and appeal and in any bankruptcy or arbitration proceedings.

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(g) All approvals, consents and acceptances required to be given or made by any person or party hereunder shall be at the reasonable discretion of the party whose approval, consent or acceptance is required except to the extent otherwise specified herein.

(h) For purposes hereof, the Issuer shall not be deemed to have knowledge of any fact or the occurrence of any event unless and until the Authorized Issuer Representative has written notice thereof or actual knowledge thereof.

(i) Whenever the Issuer is named or referred to, it shall be deemed to include its successors and assigns whether so expressed or not. All of the covenants, stipulations, obligations, and agreements by or on behalf of, and other provisions for the benefit of, the Issuer contained in this Loan Agreement shall bind and inure to the benefit of such successors and assigns and shall bind and inure to the benefit of any officer, board, commission, issuer, agency or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the Issuer, or of its successors or assigns, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements or other provisions hereof.

ARTICLE II

ISSUANCE OF BONDS; THE OBLIGATIONS

Section 2.1 The Bonds. The Issuer has authorized the issuance of the Bonds pursuant to the Bond Indenture in the aggregate principal amount of [__] Dollars ($[__]). Borrower hereby approves the Bond Indenture, the pledge and assignment thereunder to the Bond Trustee of the right, title and interest of the Issuer (except for the Issuer's Reserved Rights) in this Loan Agreement and the Obligations, the issuance under the Bond Indenture by the Issuer of the Bonds, and agrees to be bound by its terms.

Section 2.2 The Obligations. In consideration of the issuance of the Bonds by the Issuer and the application of the proceeds thereof as provided in the Bond Indenture, Borrower agrees to issue, or cause to be issued, and to cause to be authenticated and delivered to the Bond Trustee pursuant to the Master Trust Indenture and the Supplemental MTI, concurrently with the issuance and delivery of the Bonds, Obligation No. 1 and Obligation No. 2 (collectively, the "Obligations") in substantially the forms set forth in the Supplemental MTI. The Issuer agrees that the Obligations shall be registered in the name of the Bond Trustee. Borrower agrees that the aggregate principal amount of Obligation No. 1 shall be limited to [__] Dollars ($[__]) and Obligation No. 2 shall be limited to [__] Dollars ($[__]), except as provided in the Supplemental MTI with respect to the mutilation, destruction, loss or theft of the Obligations. Borrower agrees that, except as otherwise provided in this Section 2.2, so long as any Bond remains Outstanding, Obligation No. 1 and Obligation No. 2 shall each be issuable only as a single obligation without coupons, registered as to principal and interest in the name of the Bond Trustee, and no transfer of the Obligations shall be registered under the Master Trust Indenture or be recognized by Borrower except for transfers to a successor Bond Trustee. Upon the principal of the Obligations being declared immediately due and payable, the Obligations may be transferred if and to the extent that the Bond Trustee requests that the aforementioned restrictions on transfers of this Section 2.2 be terminated.

ARTICLE III

PAYMENTS

Section 3.1 Loan of Proceeds; Payments of Principal and Interest. The Issuer hereby lends and advances to Borrower, and Borrower hereby borrows and accepts from the Issuer, a loan in a principal amount equal to the aggregate principal amount of the Bonds, the net proceeds of which loan shall be equal to the net proceeds received from the sale of the Series 2025A Bonds, such proceeds to be applied under the terms and conditions of this Loan Agreement and the Bond Indenture. In consideration of the loan of such proceeds to Borrower, Borrower agrees to pay, or cause to be paid, to the Bond Trustee, on or before the Business Day prior to each date on which such amounts are required to be transferred by the Bond Trustee pursuant to Section 5.04 of the Bond Indenture for subsequent application pursuant to the Bond Indenture, the amounts necessary to enable the Bond Trustee to make the transfers required by said Section 5.04 of the Bond Indenture (the "Loan Repayments"). Notwithstanding the foregoing, Borrower agrees to make payments, or cause payments to be made, to the Bond Trustee at the times and in the amounts required to be paid as principal of, premium, if any, and interest on the Bonds from time to time Outstanding under the Bond Indenture and other amounts required to be paid under the Bond Indenture, as the same shall become due whether at maturity, upon redemption, by declaration of acceleration or otherwise. Each payment by Borrower to the Bond Trustee hereunder shall be in lawful money of the United States of America and paid to the Bond Trustee, and held, invested, disbursed and applied as provided in the Bond Indenture.

Section 3.2 Additional Payments. In addition to Loan Repayments, Borrower shall also pay, or cause to be paid, to the Issuer or the Bond Trustee, as the case may be, "Additional Payments," as follows:

(a) All taxes and assessments of any type or character charged to the Issuer or to the Bond Trustee affecting the amount available to the Issuer or the Bond Trustee from payments to be received hereunder or in any way arising due to the transactions contemplated hereby (including taxes and assessments assessed or levied by any public agency or governmental authority of whatsoever character having power to levy taxes or assessments) but excluding franchise taxes based upon the capital and/or income of the Bond Trustee and taxes based upon or measured by the net income of the Bond Trustee; provided, however, that Borrower shall have the right to protest any such taxes or assessments which it in good faith believes are not due and owing and to require the Issuer or the Bond Trustee, at Borrower's expense, to protest and contest any such taxes or assessments levied upon them, and that Borrower shall have the right to withhold payment of any such taxes or assessments pending disposition of any such protest or contest unless such withholding, protest or contest would adversely affect the rights or interests of the Issuer, the Holders or the Bond Trustee hereunder, under the Bond Indenture or otherwise with respect to the Bonds;

(b) All fees, charges, expenses and indemnities (as set forth in Section 5.2 hereof and Section 5.3 hereof) of the Bond Trustee and the Issuer hereunder and under the Bond Indenture, as and when the same become due and payable;

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(c) The fees and expenses of such accountants, consultants, attorneys and other experts as may be engaged by the Issuer or the Bond Trustee in connection with the performance of its duties hereunder or in the Bond Indenture and to prepare audits, financial statements, reports, opinions or provide such other services required under this Loan Agreement or the Bond Indenture, including, but not limited to, any audit or inquiry by the Internal Revenue Service or any other governmental body;

(d) The Annual Issuer's Fee and the Issuer's Fees and Expenses of the Issuer or any agent or attorney selected by the Issuer to act on its behalf in connection with this Loan Agreement, the Borrower Documents, the Bonds or the Bond Indenture, including, without limitation, any and all expenses incurred in connection with the authorization, issuance, sale and delivery of any such Bonds or in connection with any litigation, investigation, inquiry or other proceeding which may at any time be instituted involving this Loan Agreement, the Borrower Documents, the Bonds or the Bond Indenture or any of the other documents contemplated thereby, or in connection with the reasonable supervision or inspection of the Borrower, its properties, assets or operations or otherwise in connection with the administration of this Loan Agreement and the Borrower Documents;

(e) All other necessary fees, expenses and indemnities (as set forth in Section 5.2 hereof and Section 5.3 hereof) of the Issuer and the Issuer Indemnified Parties arising out of or in connection with the issuance of the Bonds and this Loan Agreement, including, but not limited to, those pertaining to the representation of the Issuer as "taxpayer" before the Internal Revenue Service in any audit or investigation of the Bonds or the Obligations;

(f) All Costs of Issuance not paid from proceeds of the Bonds; and

(g) All fees and expenses of the Rebate Analyst, and if a deposit is required to be made to the Rebate Fund as a result of any calculation made pursuant to Section 5.06 of the Bond Indenture, the amount of such deposit, which shall be deposited in the Rebate Fund.

Such Additional Payments shall be billed to Borrower by or upon direction of the Issuer or the Bond Trustee from time to time and shall be paid by Borrower within thirty (30) days after receipt of the bill by Borrower. The obligations of Borrower under this Section shall survive the payment of the Bonds and discharge of the Bond Indenture, and termination of this Loan Agreement and the resignation or removal of the Bond Trustee. Notwithstanding the foregoing, the Issuer shall not be required to submit a bill to the Borrower, the Bond Trustee nor the Master Trustee for payment of the Annual Issuer's Fee, and payment of the Annual Issuer's Fee does not require prior approval by the Borrower or a Borrower Authorized Representative. Such Annual Issuer's Fee shall be paid by the Master Trustee in the amount provided in the Bond Indenture. The Annual Issuer's Fee and any other Issuer's Fees and Expenses shall constitute Administrative Fees as defined in the Master Trust Indenture and shall be paid to the Issuer by the Master Trustee from the Administrative Costs Fund established under the Master Indenture and in accordance with the provisions of the Master Indenture.

Any invoice furnished to the Borrower by the Bond Trustee pursuant to this Section 3.2 shall be deemed to constitute a written notice under Section 6.1 sufficient to cause the 60-day period specified in said Section 6.1 to commence. Any invoice furnished to the Borrower by the

Issuer pursuant to this Section 3.2 shall be deemed to constitute written notice under Section 6.1(c) sufficient to cause the thirty (30)-day period specified in said Section 6.1(c) with respect to a Loan Default Event under Subsection 6.1(i) to commence.

Section 3.3 Prepayment.

(a) The Borrower shall have the right, so long as all amounts which have become due hereunder have been paid, at any time or from time to time to prepay all or any part of the Loan Repayments related to the Bonds and the Issuer agrees that the Bond Trustee shall accept such prepayments when the same are tendered.

(b) If a Determination of Taxability has occurred and is continuing, the Borrower shall, with sixty days of the Determination of Taxability, prepay all or any part of the Loan Repayments related to the Tax-Exempt Bonds as required by Section 4.03(b)(2) of the Bond Indenture.

(c) Prepayments may be made by payments of cash, deposit of Investment Securities or surrender of Bonds, as contemplated by Article VIII of the Bond Indenture. Pursuant to the Bond Indenture, the interest component of all such prepayments shall be deposited in the Debt Service Accounts and the principal component of all such prepayments (and the additional payment of any amount necessary to pay the applicable premium, if any, payable upon the redemption of Bonds) shall be deposited upon receipt in the Redemption Accounts, and, at the written request of and as determined by Borrower, credited against payments due hereunder or used for the redemption or purchase of Outstanding Bonds in the manner and subject to the terms and conditions set forth in the Bond Indenture, including but not limited to the redemption requirements in Sections 4.02 and 4.03 of the Bond Indenture. Notwithstanding any such prepayment or surrender of Bonds, as long as any Bonds remain Outstanding or any Additional Payments required to be made hereunder remain unpaid, Borrower shall not be relieved of its obligations hereunder.

Section 3.4 Obligations Unconditional. The obligations of Borrower hereunder, including the obligation of Borrower to pay the principal of and interest on the Bonds and any Additional Payments, are absolute and unconditional, notwithstanding any other provision of this Loan Agreement or the Bond Indenture. Until this Loan Agreement is terminated and all payments hereunder are made, Borrower:

(a) Will pay all amounts required hereunder without abatement, deduction or setoff, except as otherwise expressly provided in this Loan Agreement;

(b) Will not suspend or discontinue any payments due hereunder for any reason whatsoever, including, without limitation, any right of setoff or counterclaim, except as expressly provided in this Loan Agreement or the Bond Indenture;

(c) Will perform and observe all its other agreements contained in this Loan Agreement; and

(d) Except as provided herein, will not terminate this Loan Agreement for any cause including, without limiting the generality of the foregoing, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State, or any political

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subdivision of either thereof or any failure of the Issuer to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Loan Agreement.

Nothing contained in this Section 3.4 shall be construed to release the Issuer from the performance of any of the agreements on its part herein contained.

The rights of the Bond Trustee or any party or parties on behalf of whom the Bond Trustee is acting shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever, whether arising out of any breach of any duty or obligation of the Issuer or the Bond Trustee owing to Borrower, or by reason of any other indebtedness or liability at any time owing by the Issuer or by the Bond Trustee to Borrower.

Section 3.5 Conditions Precedent. The obligation of the Issuer to make the loan as herein provided shall be subject to (i) the receipt by it of the proceeds of the issuance and sale of the Bonds and (ii) the issuance of the Obligations.

Section 3.6 Closing Expenses. In addition to and without in any way limiting its obligations to pay and indemnify the Issuer and the Issuer Indemnified Parties against fees, costs and charges arising out of or in connection with this Loan Agreement, the Borrower Documents, the Bonds or the Bond Indenture, the Borrower shall pay, upon the closing of the issuance of the Bonds and as a condition thereto, the Issuer's Fees and Expenses invoiced therefor by the Issuer on or prior to closing.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Section 4.1 Representations and Warranties of Borrower. Borrower represents and warrants to the Issuer that, as of the date of execution of this Loan Agreement and (unless otherwise stated) as of the date of delivery of the Bonds to the initial purchasers thereof:

(a) The Borrower is a Delaware nonstock corporation.

(b) Based on the letter of determination of the Internal Revenue Service dated May 9, 2024, the Borrower is a public charity organization exempt from federal income tax under Section 501(c)(3) of the Code effective as of March 6, 2024.

(c) The Borrower is operated for the charitable purpose of facilitating and providing high-quality housing for seniors and may not carry on activities which are not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Code;

(d) The Borrower has not been formed for profit or pecuniary benefit, and no assets, income or net earnings of the Borrower may inure to the benefit of any manager, director, officer or employee of the Borrower or any private individual.

(e) The Borrower has the requisite legal right, power and authority to enter into this Loan Agreement and to carry out and consummate all transactions contemplated hereby.

(f) The officer of Borrower executing this Loan Agreement is duly and properly in office and has the requisite authority to execute the same.

(g) This Loan Agreement has been duly authorized, executed and delivered by Borrower.

(h) (i) This Loan Agreement, when assigned by the Issuer to the Bond Trustee pursuant to the Bond Indenture (except with respect to Issuer's Reserved Rights) and the Borrower Documents, will constitute the legal, valid and binding agreement of Borrower enforceable against Borrower by the Bond Trustee in accordance with its terms for the benefit of the Holders of the Bonds, and (ii) the Issuer's Reserved Rights constitute the legal, valid, and binding agreements of Borrower enforceable against Borrower (A) by the Issuer in its own right, or (B) in the case of the rights of any Issuer Indemnified Party (including, without limitation, the right of any Issuer Indemnified Party to indemnification and immunity from liability), by such Issuer Indemnified Party in his, her, or its own right in accordance with their respective terms; except as enforcement may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought.

(i) The execution and delivery of this Loan Agreement, the consummation of the transactions herein contemplated and the fulfillment of or compliance with the terms and conditions hereof, will not conflict with or constitute a violation or breach of or default under Borrower's organizational documents or any applicable law or administrative rule or regulation, or any court or administrative decree or order to which Borrower is subject, or any indenture, mortgage, deed of trust, loan agreement, lease, contract or other agreement or instrument to which Borrower is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of Borrower, which conflict, violation, breach, default, lien, charge or encumbrance might have consequences that would materially and adversely affect either (1) the consummation of the transactions contemplated by this Loan Agreement or (2) the financial condition, assets, properties or operations of Borrower.

(j) No consent or approval of any trustee or holder of any indebtedness of Borrower, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Loan Agreement or for the consummation of any transaction herein contemplated, except as have been obtained or made and as are in full force and effect.

(k) There is no action, suit, proceeding, inquiry or investigation, before or by any court or federal, state, municipal or other governmental authority, pending with service having been completed on Borrower, or to the actual knowledge of Borrower, threatened, against or affecting Borrower or the assets, properties or operations of Borrower which, if determined adversely to Borrower or its interests, would reasonably be expected to have a material adverse effect upon either (1) the consummation of the transactions contemplated by, or the validity of, this Loan Agreement or (2) on the operations or financial condition of Borrower taken as a whole. As of the date of this Loan Agreement, Borrower is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default would materially and adversely affect the consummation of the

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transactions contemplated by this Loan Agreement, or on the operations or the financial condition of Borrower taken as a whole. As of the date of this Loan Agreement, all tax returns (federal, state and local) required to be filed by or on behalf of Borrower have been filed, and all taxes shown thereon to be due, including interest and penalties, have been paid or adequate reserves have been made for the payment thereof except such, if any, as are being actively contested by Borrower, in good faith.

(l) Except as described in the Limited Offering Memorandum, there has been no material adverse change in the condition (financial or otherwise) of the Borrower.

(m) The written information, exhibits and reports furnished to the Issuer by Borrower in connection with Borrower's application to the Issuer for financing or by the Borrower or its representatives in connection with the negotiation of this Loan Agreement or the Borrower Documents, regardless of whether the Issuer is a party thereto (including without limitation, any financial statements, whether audited or unaudited, and any other financial information provided in connection therewith) is, to its knowledge, true and correct in all material respects.

(n) Borrower does not restrict use of its facilities on racial or religious grounds.

(o) The Borrower's representations and warranties under this Section 4.1 survive the issuance of the Bonds and remain operative and in full force and effect regardless of the issuance of the Bonds, and regardless of any investigations by or on behalf of the Issuer or the results thereof.

(p) The Borrower will take any and all actions reasonably necessary to assure compliance with Section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Tax-Exempt Bonds.

Section 4.2 Representations and Warranties of Issuer. Issuer represents and warrants to the Borrower that, as of the date of execution of this Loan Agreement and as of the date of delivery of the Bonds to the initial purchasers thereof:

(a) The Issuer (1) is a legal entity duly created and a public agency duly organized and validly existing under the laws of the State, and (2) has lawful power and authority to issue the Bonds for the purposes set forth in the Bond Indenture, to enter into, execute and deliver the Bond Indenture and this Loan Agreement and to carry out its obligations thereunder and hereunder, and (3) by all necessary corporate action has been duly authorized to execute and deliver the Bond Indenture, this Loan Agreement and any other Bond Documents to which the Issuer is a party, acting by and through its duly authorized officers.

(b) The execution and delivery of the Bond Indenture, this Loan Agreement and any other Bond Documents by the Issuer will not result in a breach of any of the terms of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Issuer is a party or by which it or any of its property is bound or its bylaws or any of the constitutional or statutory rules or regulations applicable to the Issuer or its property.

ARTICLE V

COVENANTS

Section 5.1 Nonliability of the Issuer.

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY OUT OF THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE BONDS OR THE BOND INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING SUCH BONDS BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE BONDS. THE ISSUER HAS NO TAXING POWER.

No recourse under or upon any obligation, covenant or agreement contained in the Bond Documents or the Borrower Documents, or under any judgment obtained against the Issuer, or the enforcement of any assessment, or any legal or equitable proceedings by virtue of any constitution or statute or otherwise, or under any circumstances under or independent of the Bond Indenture, or any claim based thereon or otherwise in respect thereof shall be had against the Sponsoring Political Subdivisions or the Issuer or any incorporator, member, director, officer, employee, agent or counsel as such, past, present or future of the Issuer, or the Sponsoring Political Subdivisions, either directly or through the Issuer, the Bond Trustee or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to the Owner of any Bond issued hereunder, or otherwise, of any sum that may be due and unpaid by the Issuer upon any such Bond. Any and all personal liability of every nature whether at common law or in equity or by statute or by constitution or otherwise of any such incorporator, member, director, officer, employee, agent or counsel, as such, to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Owner of any Bond issued hereunder or otherwise of any sum that may remain due and unpaid upon the Bond hereby secured or any of them is, by the acceptance hereof, expressly waived and released as a condition of and in consideration for the execution of the Bond Indenture and the issuance of the Bonds.

Borrower hereby acknowledges that the Issuer's sole source of moneys to repay the Bonds will be provided by the payments made or caused to be made by Borrower hereunder and pursuant to the Obligations and other Revenues, together with amounts on deposit in, and investment

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income on, certain funds and accounts held by the Bond Trustee under the Bond Indenture, and hereby agrees that if all such amounts shall ever prove insufficient to pay all principal of, premium, if any, and interest on the Bonds as the same shall become due (whether by maturity, redemption, acceleration or otherwise) or any costs incidental thereto, then upon notice or demand from the Bond Trustee, Borrower shall pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal, premium, if any, or interest when due, including, but not limited to, any deficiency caused by acts, omissions, nonfeasance or malfeasance on the part of the Bond Trustee, the Issuer or any third party subject to any right of reimbursement from the Bond Trustee, the Issuer or any such third party, as the case may be, therefor.

Section 5.2 Expenses and Fees. The Borrower covenants and agrees to pay the Bond Trustee's ordinary and extraordinary fees and to pay and to indemnify the Issuer, the Issuer Indemnified Parties, the Bond Trustee and the Bond Trustee Indemnified Parties against all costs and charges, including fees of attorneys, accountants, consultants and other experts, incurred in good faith and arising out of or in connection with the transactions contemplated hereby. The obligations under this Section and Section 5.3 shall remain valid and in effect notwithstanding repayment of the loan hereunder or termination of this Loan Agreement or the Bond Indenture or the resignation or removal of the Bond Trustee.

Section 5.3 Indemnification.

(a) The Borrower shall pay and shall protect, indemnify and hold harmless, the Bond Trustee Indemnified Parties and the Issuer Indemnified Parties (collectively, the "Indemnified Parties" and each an "Indemnified Party") from and against all liabilities, losses, damages, costs, expenses (including attorneys' fees), causes of action, suits, claims, demands and judgments of any nature (collectively referred to herein as the "Liabilities") in any manner relating to and/or arising from or in connection with the Bonds (including the approval, issuance or non-issuance, and, if issued, the administration thereof) or: (i) any injury to or death of any person or damage to the Projects in or upon the Projects or growing out of or connected with the use, nonuse, condition or occupancy of the Projects; (ii) violation or breach of any agreement or condition of this Loan Agreement or any of the Bond Documents or the Borrower Documents; (iii) a violation by the Borrower of any contract, agreement or restriction relating to the Projects; (iv) any act, or failure to act, by the Borrower or negligence of the Borrower or any of its agents, contractors, servants, employees or licensees; (v) any violation of any environmental law, rule or regulation with respect to, or the release of any toxic substance from, the Projects during the period in which the Borrower is in possession or control of the Projects; (vi) a violation by the Borrower of any law, ordinance or regulation affecting the Projects or the ownership, occupancy or use thereof; (vii) any statement or information contained in the Bond Indenture, this Loan Agreement, the Tax Agreement, any other Bond Documents or Borrower Documents or any other documents or agreements relating to the Bonds and the proceedings relating to their issuance and sale, or any documents in connection with the Continuing Disclosure Agreement which is misleading, untrue or incorrect in any material respect, other than information furnished by the Issuer; (viii) the financing, refinancing, acquisition, improvement, equipping and furnishing of the Projects or the failure to construct, acquire, equip or install the Projects; (ix) any proceeding concerning the validity or enforceability of the Bonds or the tax-exemption of the Tax-Exempt Bonds or the interest thereon; (x) to the extent not previously mentioned, any claims whatsoever asserting any of the foregoing, regardless of the lack of merit thereof; and (xi) the costs incurred in connection with any claims,

investigations, governmental or regulatory actions, proceedings or inquiries relating in any way to the Bonds or the transactions contemplated hereby or by the Bond Indenture.

The Borrower also agrees to indemnify, protect, defend, and hold harmless the Indemnified Parties from and against the Liabilities (i) in any manner whatsoever arising from or relating to the Bonds (including the approval, issuance or non-issuance, and, if issued, the administration thereof), or any errors or omissions in information provided to the Issuer in connection with any legal proceedings or other official actions of the Issuer pertaining to the Bonds, (ii) in any manner whatsoever arising from or relating to any fraud or misrepresentations or omissions contained in information provided to the Issuer or the Bond Trustee in connection with the proceedings of the Issuer relating to the issuance of the Bonds or the Continuing Disclosure Agreement, (iii) in any way arising from or relating to the execution or performance of this Loan Agreement or other Bond Documents or Borrower Documents by the Borrower, the issuance or sale of the Bonds, actions taken under the Bond Indenture, actions taken under the Continuing Disclosure Agreement or any other cause whatsoever pertaining to the financing of the Projects with the proceeds of the Bonds and the Issuer's approval under the Act, specifically including, but not limited to, the defense of the validity of the Bonds, compliance of securities laws, or tax exemption of the interest on the Bonds; or (iv) any statement or information relating to the Borrower, its business or properties contained in any final official statement or prospectus furnished to purchasers of any Bonds that is untrue or incorrect in any material respect and any omission relating to the Borrower, its business or properties from any official statement or prospectus of any statement or information which should be contained in it for the purpose for which it is to be used or which is necessary to make the statements in it not misleading in any material respect, if the final official statement or prospectus is approved in writing by the Borrower.

It is the intention of the parties hereto that the Indemnified Parties shall not incur pecuniary liability or expense (specifically including, but not limited to, expenses incurred in defending any claim, action, lawsuit, or administrative or other legal proceeding) by reason of, arising out of, or relating to the Bonds (including the approval, issuance or non-issuance, and, if issued, the administration thereof) or (i) the terms of this Loan Agreement or other Bond Documents or Borrower Documents, or (ii) by reason of, arising out of, or relating to the undertakings required of the Issuer, the Bond Trustee, the Sponsoring Political Subdivisions and any of their officials, directors, commissioners, officers, agents and employees hereunder in connection with the issuance of the Bonds, the execution of the Bond Indenture, the performance of any act required of the Issuer, the Bond Trustee, the Sponsoring Political Subdivisions and any of their officials, directors, commissioners, officers, agents, attorneys and employees by this Loan Agreement or other Bond Document or Borrower Document, as applicable, or the performance of any act requested of the Issuer, the Bond Trustee, the Sponsoring Political Subdivisions and any of their officials, officers, directors, commissioners, agents, attorneys and employees by the Borrower or in any way arising from the transaction of which this Loan Agreement or any other Bond Document or Borrower Document, as applicable, is a part or arising in any manner in connection with the Projects; nevertheless, if the Issuer, the Bond Trustee, the Sponsoring Political Subdivisions or any of their officials, officers, directors, commissioners, agents, attorneys and employees should incur any such pecuniary liability, then in such event the Borrower shall indemnify and hold harmless the Issuer, the Bond Trustee, the Sponsoring Political Subdivisions or any of their officials, officers, directors, commissioners, agents, attorneys and employees against all claims by or on behalf of any Person, arising out of the same, and all fees, costs and

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expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and upon notice from the Issuer, the Bond Trustee, the Sponsoring Political Subdivisions or any of their officials, officers, directors, commissioners, agents or employees, the Borrower shall defend such party, its officials, officers, directors, commissioners, agents or employees in any such action or proceeding.

Promptly after receipt by an Indemnified Party under this Section 5.3 of notice of the existence of a claim in respect of which indemnity hereunder may be sought or of the commencement of any action against the Indemnified Party in respect of which indemnity hereunder may be sought, the Indemnified Party shall notify the Borrower in writing of the existence of such claim or commencement of such action (provided that a failure to so notify the Borrower will not excuse the Borrower from its obligations hereunder). In case any such action shall be brought against an Indemnified Party under this Section 5.3, the Indemnified Party shall notify the Borrower of the commencement thereof and the Borrower shall be entitled to participate in and to assume the defense thereof, with counsel reasonably satisfactory to the Indemnified Party, with full power to litigate, compromise or settle the same; provided that the Indemnified Party shall have the right to review and approve or disapprove any such compromise or settlement; provided, however, that if the Indemnified Party shall have been advised by independent counsel selected by the Indemnified Party that there may be legal defenses available to it which are adverse to or in conflict with those available to the Borrower or other Indemnified Parties which, in the opinion of such counsel or if any such claim involves possible criminal charges, should be handled by separate counsel, the Borrower shall not have the right to assume the defense of such action on behalf of the Indemnified Party, but shall be responsible for the fees and expenses of the Indemnified Party in conducting its defense; and provided, further, that if the Borrower shall have failed to assume the defense of such action and shall have failed to employ counsel therefor reasonably satisfactory to the Indemnified Party within a reasonable time after notice of commencement of such action, such fees and expenses incurred by the Indemnified Party in conducting its own defense shall be borne by the Borrower.

The duty of the Borrower to defend each Indemnified Party under this Section 5.3 shall commence from the time the claim is known of, and such duty shall exist and continue regardless of the merits of the claim, and shall survive the payment or defeasance of the Bonds and the termination of any other provisions of the Bond Indenture and the Loan Agreement.

In addition, the Borrower agrees that if either party initiates any action, suit or other proceeding with respect to any claim, demand or request for relief, whether judicial, administrative, or other legal proceeding, in which the Issuer or any members of its board, its officers, attorneys, accountants, financial advisors or staff is named or joined as a party, the Borrower will pay to and reimburse to the Issuer the full amount of all fees and expenses incurred by the Issuer with respect to the Issuer's defense of or participation in such action, suit or other proceeding. All Indemnified Parties shall be deemed third party beneficiaries hereof, with full right to enforce the provisions hereof in respect of such Indemnified Party.

The provisions contained in this Section 5.3 pertaining to indemnification of the Issuer Indemnified Parties shall be in addition to any other indemnification provided to such Issuer Indemnified Parties in any other agreement by the Borrower in connection with the issuance and sale of the Bonds and all matters relating thereto.

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Notwithstanding any other provision of this Section 5.3 to the contrary, the Borrower's indemnification obligations under this Section 5.3 shall not extend to a Bond Trustee Indemnified Party to the extent of any Liabilities arising from the negligence or willful misconduct of such Bond Trustee Indemnified Party.

(b) The Issuer makes no warranty, either express or implied, as to the Projects or the condition thereof, or that the Projects will be suitable for the purposes or needs of the Borrower. The Issuer makes no representation or warranty, express or implied, that the Borrower will have quiet and peaceful possession of the Projects. The Issuer makes no representation or warranty, express or implied, with respect to the merchantability, condition or workmanship of any part of the Projects or its suitability for the purposes of the Borrower.

(c) Notwithstanding anything to the contrary contained herein or in any of the Bonds, the Bond Indenture, or in any other instrument or document executed by or on behalf of the Issuer in connection herewith, (i) the Issuer shall have no obligation to take action under this Loan Agreement, the Bonds, other Bond Documents or Borrower Documents or such other instruments or documents, unless the Issuer is reasonably requested in writing by an appropriate person to take such action and is provided with indemnity and assurances satisfactory to it of payment of or reimbursement for any expenses (including attorneys' fees) in such action, (ii) neither the Issuer nor any member of the Issuer or any officer, agent relating to the Bonds or the Projects, or employee of the Issuer shall be personally liable to the Borrower, the Bond Trustee or any other person for any action taken by the Issuer or by its officers, agents relating to the Bonds, the Projects, or employees or for any failure to take action under this Loan Agreement, the Bonds, the other Bond Documents, Borrower Documents or such other instruments or documents, except that the Issuer agrees to take, or to refrain from taking, any action if so required by an injunction or if required to comply with any final judgment for specific performance; and (iii) any judgment rendered against the Issuer for breach of its obligations under this Loan Agreement, the Bonds, the other Bond Documents, Borrower Documents or such other instruments or documents, shall be payable solely from the revenues derived under this Loan Agreement, the Bond Indenture or other Bond Documents or the Borrower Documents, as applicable, and no other personal liability, or charge payable directly or indirectly from the general funds of the Issuer, shall arise therefrom.

(d) Notwithstanding anything to the contrary contained herein or in any of the Bonds, or this Loan Agreement, the Bond Indenture, other Bond Documents, Borrower Documents or in any other instrument or document executed by or on behalf of the Issuer in connection herewith, no stipulation, covenant, agreement or obligation contained herein or therein shall be deemed or construed to be a stipulation, covenant, agreement, or obligation of any present or future member, officer, employee or agent of the Issuer, or of any incorporator, member, director, trustee, officer, employee or agent of any successor to the Issuer, in any such person's individual capacity, and no such person, in his individual capacity, shall be liable personally for any breach or non-observance of or for any failure to perform, fulfill or comply with any such stipulations, covenants, agreements or obligations, nor shall any recourse be had for the payment of the principal of, premium, if any, or interest on any of the Bonds or for any claim based thereon or on any such stipulation, covenant, agreement, or obligation, against any such person, in his individual capacity, either directly or through the Issuer or any successor to the Issuer, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such person, in his individual capacity, is hereby expressly waived and released.

(e) In the Issuer accepting the provisions for the Borrower to indemnify the Issuer and other Indemnified Parties from claims of third parties, and in the Borrower agreeing to make such indemnities, as provided herein, the Issuer (and all applicable Indemnified Parties) intends to retain, and does not waive, the limits and scope of sovereign immunity enjoyed by the Issuer (or any applicable Indemnified Party) as provided pursuant to State law with respect to such claims, as well as all other immunities, defenses, and privileges the Issuer (or any applicable Indemnified Party) may enjoy with respect to such claims under State or federal law. By the same token, it is intended that the Borrower be able, and the Borrower may assert, with respect to claims for which indemnity is provided by the Borrower to the Issuer, the Issuer's sovereign immunity under State law with respect to such claims, as well as all other immunities, defenses, and privileges the Issuer may enjoy with respect to such claims as may be provided under State or federal law.

(f) The rights of any persons to indemnity hereunder and rights to payment of fees and reimbursement of expenses pursuant to Sections 3.2 hereof and this Section 5.3 shall survive the final payment or defeasance of the Bonds and in the case of the Bond Trustee any resignation or removal. The provisions of this Section shall survive the termination of this Loan Agreement.

Section 5.4 Tax Covenants.

(a) Borrower covenants and agrees that it will at all times do and perform all acts and things permitted and as may from time to time be required by law or this Loan Agreement and the Tax Agreement which are necessary in order to assure that interest paid on the Tax-Exempt Bonds will be excluded from gross income for federal income tax purposes and will take no action that would result in such interest not being so excluded. Without limiting the generality of the foregoing, Borrower agrees to comply with the provisions of the Tax Agreement. This covenant shall survive payment in full or defeasance of the Tax-Exempt Bonds.

(b) The Issuer has engaged the Arbitrage Rebate Monitor for the primary purposes of maintaining the records of: (i) the applicable arbitrage computation dates, as identified in the Bond Indenture and Tax Agreement, (ii) the Borrower's designation of a Rebate Analyst, and (iii) copies of Rebate Reports provided to the Arbitrage Rebate Monitor by the Rebate Analyst or the Borrower related to the Bonds. The Borrower shall comply with written requests from the Arbitrage Rebate Monitor for any documentation related to the foregoing (i) - (iii). The Rebate Analyst shall review the transcript for the Bonds with respect to the rebate and yield restriction calculations required pursuant to Section 148 of the Code. In the event the Borrower's selected Rebate Analyst does not perform such functions in a timely manner, at the Borrower's expense, the Arbitrage Rebate Monitor shall serve as the Rebate Analyst. In the event the Borrower owes arbitrage rebate or has accrued a yield reduction payment liability to the Internal Revenue Service, the Borrower will coordinate with the Issuer for timely signature of IRS Form 8038-T, Arbitrage Yield Reduction and Penalty in Lieu of Arbitrage Rebate, to be prepared by the Rebate Analyst, together with payment to the Internal Revenue Service in the amount equal to the arbitrage rebate or yield reduction payment liability, as applicable, calculated in accordance with the Tax Agreement for timely submission to the Internal Revenue Service in accordance with Section 148 of the Code. Provided further, the Borrower shall submit all required rebate calculations to the Arbitrage Rebate Monitor within seven (7) days of completion. The provisions of this Section 5.4(b) shall be for the benefit of the Bondholders, and each Bondholder shall be an intended beneficiary of this Section 5.4(b) with the right to enforce it directly against the Borrower. Notwithstanding any other provision of this Loan Agreement or the Bond Indenture, failure of the Borrower or the Arbitrage

Rebate Monitor to comply with the provisions of this Section 5.4(b) shall not be considered an Event of Default hereunder or under the Bond Indenture.

Section 5.5 Continuing Disclosure. Borrower hereby covenants to engage the Dissemination Agent and agrees that it will enter into and comply with and carry out all of the provisions of the Continuing Disclosure Agreement, as the continuing disclosure undertaking required by Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 CFR Part 240, Section 240.15c2-12), contemporaneously with the issuance of the Bonds. **The Borrower shall not terminate the Continuing Disclosure Agreement or the Dissemination Agent without the prior written consent of the Issuer**. Notwithstanding any other provision of this Loan Agreement, failure of the Borrower to comply with the Continuing Disclosure Agreement shall not be considered a Loan Default Event; however, the Bond Trustee may (and, at the request of any participating underwriter or the Controlling Party, shall, upon receipt of reasonable indemnification for its fees and costs acceptable to it, including, without limitation, fees, costs and expenses of counsel), and any Holder or beneficial owner may, take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause Borrower to comply with its obligations under this Section 5.5. Borrower understands and agrees that the Issuer has undertaken no continuing disclosure obligations or duty or liability to the Holders or any other person to enforce the provisions of the Continuing Disclosure Agreement or Section 7.11 of the Bond Indenture.

Section 5.6 Reserved

Section 5.7 Post-Issuance Compliance Policies and Procedures.

The Borrower hereby covenants and agrees that it will comply with and carry out all of the provisions of the Post-Issuance Compliance Policies and Procedures of Capital Trust Authority as attached hereto as Exhibit A.

ARTICLE VI

EVENTS OF DEFAULT AND REMEDIES

Section 6.1 Events of Default. Each of the following events shall constitute and be referred to herein as a "Loan Default Event":

(a) Failure by Borrower to pay in full any payment required hereunder when due, whether at maturity, upon a date fixed for redemption, by acceleration or otherwise pursuant to the terms hereof;

(b) If any material representation or warranty made by Borrower herein or made by Borrower in any document, instrument or certificate furnished to the Bond Trustee or the Issuer in connection with the issuance of the Bonds (including without limitation the Tax Agreement) shall at any time prove to have been incorrect in any material respect as of the time made;

(c) If Borrower shall fail to observe or perform any covenant, condition, agreement or provision in this Loan Agreement on its part to be observed or performed, other than as referred to in subsection (a) or (b) of this Section, or shall breach any warranty by Borrower herein

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contained, for a period of sixty (60) days after written notice, specifying such failure or breach and requesting that it be remedied, has been given to Borrower by the Issuer or the Bond Trustee; except that, if such failure or breach can be remedied but not within such sixty (60) day period and if Borrower has taken all action reasonably possible to remedy such failure or breach within such sixty (60) day period, such failure or breach shall not become a Loan Default Event for so long as Borrower shall diligently proceed to remedy such failure or breach in accordance with and subject to any directions or limitations of time established by the Bond Trustee; provided, however, with respect to subsection (i) of this Section, the aforementioned period shall be thirty (30) days after written notice and, unless waived in writing by the Issuer, failure or breach of subsection (i) of this Section after such thirty (30) days shall become a Loan Default Event;

(d) If Borrower files a petition in voluntary bankruptcy, for the composition of its affairs under any state or federal bankruptcy or insolvency law, or makes an assignment for the benefit of creditors, or admits in writing to its insolvency or inability to pay debts as they mature, or consents in writing to the appointment of a trustee or receiver for itself or for the whole or any substantial part of Borrower's facilities;

(e) If a court of competent jurisdiction shall enter an order, judgment or decree declaring Borrower an insolvent, or adjudging it bankrupt, or appointing a trustee or receiver of Borrower of the whole or any substantial part of Borrower's facilities, or approving a petition filed against Borrower seeking reorganization of Borrower under any applicable law or statute of the United States of America or any state thereof, and such order, judgment or decree shall not be vacated or set aside or stayed within sixty (60) days from the date of the entry thereof;

(f) If, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of all or substantially all of Borrower's facilities, and such custody or control shall not be terminated within sixty (60) days from the date of assumption of such custody or control;

(g) Any Event of Default as defined in and under the Bond Indenture; or

(h) The occurrence and continuance of an "Event of Default" under the Master Trust Indenture.

(i) Unless waived in writing by the Issuer, failure of the Borrower to pay to the Bond Trustee an amount sufficient to pay the Annual Issuer's Fee and the Issuer's Fees and Expenses then due in accordance with Section 3.2 hereof within thirty (30) days of the due date of the Annual Issuer's Fee and any other Issuer's Fees and Expenses.

Section 6.2 Remedies on Default. If a Loan Default Event shall occur, then, and in each and every such case during the continuance of such Loan Default Event, the Bond Trustee on behalf of the Issuer, subject to the limitations in the Bond Indenture as to the enforcement of remedies, may take such action as it deems necessary or appropriate to collect amounts due hereunder, to enforce performance and observance of any obligation or agreement of Borrower hereunder, and may, without limiting the generality of the foregoing:

(a) Exercise any or all rights and remedies given hereby or available hereunder or given by or available under any other instrument of any kind securing Borrower's performance hereunder, including the Obligations;

(b) By written notice to Borrower declare an amount equal to all amounts then due and payable on the Bonds, whether by acceleration of maturity or otherwise, to be immediately due and payable under this Loan Agreement, whereupon the same shall become immediately due and payable; and

(c) Take any action at law or in equity to collect the payment required hereunder then due, whether on the stated due date or by declaration of acceleration or otherwise, for damages or for specific performance or otherwise to enforce performance and observance of any obligation, agreement or covenant of Borrower hereunder.

Section 6.3 Discontinuance or Abandonment of Default Proceedings. If any proceeding taken by the Bond Trustee on account of any Loan Default Event shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Bond Trustee, then and in every case the Issuer, the Bond Trustee and Borrower shall be restored to their former position and rights hereunder, respectively, and all rights, remedies and powers of the Issuer and the Bond Trustee shall continue as though no such proceeding had taken place.

Section 6.4 Remedies Cumulative. No remedy conferred upon or reserved to the Issuer or the Bond Trustee hereby or now or hereafter existing at law or in equity or by statute, shall be exclusive but shall be cumulative with all others. Such remedies are not mutually exclusive and no election need be made among them, but any such remedy or any combination of such remedies may be pursued at the same time or from time to time so long as all amounts realized are properly applied and credited as provided herein. No delay or omission to exercise any right or power accruing upon any Loan Default Event shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient by the Issuer or the Bond Trustee. In the event of any waiver of a Loan Default Event hereunder, the parties shall be restored to their former positions and rights hereunder, but no such waiver shall extend to any other or subsequent Loan Default Event or impair any right arising as a result thereof. In order to entitle the Bond Trustee to exercise any remedy reserved to it, it shall not be necessary to give notice other than as expressly required herein. To the extent that this Loan Agreement confers upon or gives or grants the Bond Trustee any right, remedy or claim under or by reason of this Loan Agreement, the Bond Trustee is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, give or granted hereunder.

Section 6.5 Application of Moneys Collected. Any amounts collected pursuant to action taken under this Article shall be applied in accordance with the provisions of Article IX of the Bond Indenture. If (i) all payments of principal, premium, if any, and interest on the Bonds have been paid in accordance herewith, (ii) other amounts then due to the Issuer and the Bond Trustee have been paid in accordance with Article IX of the Bond Indenture, and (iii) moneys collected pursuant to this Article remain for the payment of remaining Additional Payments, such amounts shall be paid to the party originally owed them.

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Section 6.6 Attorney's Fees and Other Expenses. If, as a result of the occurrence of a Loan Default Event, the Issuer or the Bond Trustee employs attorneys or incurs other expenses for the collection of payments due hereunder including the costs of using attorneys which are employees of the Issuer or the Bond Trustee or for the enforcement of performance or observance of any obligation or agreement on the part of Borrower, Borrower will, on demand, reimburse the Issuer, the Bond Trustee, or both, as the case may be, for the fees and expenses of such attorneys and such other expenses so incurred.

Section 6.7 Notice of Default. Borrower agrees that, as soon as is practicable, and in any event within five (5) days, Borrower will furnish the Bond Trustee and the Issuer notice of any event which is a Loan Default Event pursuant to Section 6.1 which has occurred and is continuing on the date of such notice, which notice shall set forth the nature of such event and the action which Borrower proposes to take with respect thereto.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Amendments and Supplements. This Loan Agreement may be amended, changed or modified only as provided in Article XI of the Bond Indenture.

Section 7.2 Time of the Essence; Non-Business Days. Time shall be of the essence of this Loan Agreement. When any action is provided for herein to be done on a day named or within a specified time period, and the day or the last day of the period falls on a day other than a Business Day, such action may be performed on the next ensuing Business Day with the same effect as though performed on the appointed day or within the specified period.

Section 7.3 Binding Effect. This instrument shall inure to the benefit of and shall be binding upon the Issuer and Borrower and their respective successors and assigns, subject to the limitations contained herein; provided, however, that the Bond Trustee shall have only such duties and obligations as are expressly given to it hereunder.

Section 7.4 Entire Agreement. This Loan Agreement, together with all agreements and documents incorporated by reference herein, constitutes the entire agreement of the parties and is not subject to modification, amendment, qualification or limitation except as expressly provided herein.

Section 7.5 Severability. If any covenant, agreement or provision, or any portion thereof contained in this Loan Agreement, where the application thereof to any person or circumstance is held to be unconstitutional, invalid or unenforceable, the remainder of this Loan Agreement and the application of such covenant, agreement or provision, or portion thereof, to other persons or circumstances, shall be deemed severable and shall not be affected thereby, and this Loan Agreement shall remain valid, and the Bondholders shall retain all valid rights and benefits accorded to them under this Loan Agreement and the Act and laws of the State.

Section 7.6 Notices.

(a) Unless otherwise expressly specified or permitted by the terms hereof, all notices, consents or other communications required or permitted hereunder shall be deemed sufficiently given or served for all purposes by being given in writing delivered or sent by Electronic Means receipt confirmed or by being mailed by first-class mail, postage prepaid and addressed as follows:

(i) If to Borrower:

Alpha Lifestyle Partners, Inc.
2102 East State Highway 114, Suite 300
Southlake, Texas 76092
Attention: Dan Meader
Phone: (214) 289-2516
Attention: dan@alphalifestylepartners.org

With a copy to:

Alpha Lifestyle Partners, Inc.
2102 East State Highway 114, Suite 300
Southlake, Texas 76092
Attention: Cassidy Dines
Phone: (303) 957-7419
Attention: **cassidy@alphalifestylepartners.org**

(ii) If to the Issuer:

Capital Trust Authority
315 Fairpoint Drive
Gulf Breeze, Florida 32561
Attention: Executive Director
Phone: (850) 934-4046
Email: dmckinnon@muniad.com

With a copy to:

Bryant Miller Olive P.A.
400 North Tampa Street, Suite 1600
Tampa, Florida 33602
Attention: Kareem J. Spratling, Esq.
Phone: (813) 273-6677
Email: kspratling@bmolaw.com

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(iii) If to the Bond Trustee:

UMB BANK, N.A.
7155 Lake Drive, Suite 120
West Des Moines, Iowa 50266]
Attention: Minda Barr
Phone: (515) 368-6064
Email: Minda.barr@umb.com

(b) If to the registered Holder of a Bond, addressed to such Holder at the address shown on the books of the Bond Trustee kept for that purpose.

(c) Borrower, the Issuer and the Bond Trustee may at any time and from time to time by notice in writing to the other Persons listed in Section 7.6(a) designate a different address or addresses for notice under this Loan Agreement.

Section 7.7 Waiver of Personal Liability. No Issuer Indemnified Party shall be individually or personally liable for the payment of any principal of or interest or premium on any Bonds, any costs incidental hereto or any other sum hereunder or under the Bond Indenture or be subject to any personal liability or accountability by reason of the execution and delivery of this Loan Agreement or the Bond Indenture.

Section 7.8 Term. Except as otherwise provided herein this Loan Agreement shall remain in full force and effect from the date of execution hereof until no Bonds remain Outstanding under the Bond Indenture and all of Borrower's other obligations hereunder have been satisfied in full.

Section 7.9 Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

Section 7.10 Governing Law; Venue. This Loan Agreement shall be governed in all respects, including validity, interpretation and effect, by, and shall be enforceable in accordance with, the laws of the State without regard to conflict of laws principles. Subject to the rights of the Bond Trustee to assert claims and take actions with respect to the Projects in the states in which the Projects are located, all claims of whatever character arising out of this Loan Agreement, or under any statute or common law relating in any way, directly or indirectly, to the subject matter hereof or to the dealings between the Issuer and any other party hereto, if and to the extent that such claim potentially could or actually does involve the Issuer or any Issuer Indemnified Party, shall be brought in any state or federal court of competent jurisdiction located in Santa Rosa County, Florida. By executing and delivering this Loan Agreement, each party hereto irrevocably; (i) accepts generally and unconditionally the exclusive jurisdiction and venue of such courts; (ii) waives any defense of *forum non conveniens*; (iii) agrees not to seek removal of such proceedings to any court or forum other than as specified above. The foregoing shall not be deemed or construed to constitute a waiver by the Issuer of any prior notice or procedural requirements applicable to actions or claims against or involving joint powers commissions or governmental units of the State that may exist at the time of and in connection with such matter. The Issuer does not waive its right to a trial by jury.

Section 7.11 Third Party Beneficiaries. Notwithstanding any provision hereof to the contrary, it is specifically acknowledged and agreed that, to the extent of their rights hereunder (including, without limitation, their rights to immunity and exculpation from pecuniary liability) each of the Issuer Indemnified Parties is a third-party beneficiary of this Loan Agreement entitled to enforce such rights in his, her, its or their own name, and the Bond Trustee Indemnified Parties and the registered owners of the Bonds are also intended "Third Party Beneficiaries" of this Loan Agreement. Nothing in this Loan Agreement shall confer any right upon any Person other than parties hereto, and those specifically designated as Third Party Beneficiaries of this Loan Agreement.

Section 7.12 Reserved.

Section 7.13 No Personal Liability of Officials of Borrower, Issuer or Bond Trustee. None of the covenants, stipulations, promises, agreements and obligations of the Borrower, the Issuer or the Bond Trustee contained herein shall be deemed to be covenants, stipulations, promises, agreements or obligations of any official, officer, agent or employee of the Borrower, the Issuer or the Bond Trustee in his or her individual capacity, and no recourse shall be had for the payment of the principal of or premium, if any, or interest on the Bonds or for any claim based thereon or any claim hereunder against any official, officer, agent or employee of the Issuer, the Borrower or the Bond Trustee or any natural person executing any Bond, including any officer or employee of the Bond Trustee.

Section 7.14 Special, Limited Obligations of Issuer; Limitation of Liability.

(a) Anything in this Loan Agreement to the contrary notwithstanding, it is expressly understood and agreed by the parties hereto that the Issuer may rely conclusively on the truth and accuracy of any certificate, opinion, notice, or other instrument furnished to the Issuer by the Borrower as to the existence of any fact or state of affairs required hereunder to be noticed by the Issuer.

(b) No covenant or agreement contained in this Loan Agreement or the Bond Indenture shall be deemed to be the covenant or agreement of any officer, director, member, official, employee or agent of the Issuer, in his or her individual capacity, and none of such persons shall be subject to any personal liability or accountability by reason of the execution hereof or thereof, whether by virtue of any constitution, statute or rule of law, or by the enforcement or any assessment or penalty, or otherwise. No recourse shall be had against any commissioner, member, director, officer, employee, agent or counsel, past, present, or future of the Issuer, either directly or through the Issuer or otherwise for payment for or to the Issuer or any receiver thereof, or for or to any Holder of the Bonds, or otherwise, of any sum that may be due and unpaid by the Issuer upon the Bonds or under or upon any obligation, covenant or agreement contained in this Loan Agreement or in any other document executed in connection therewith. Neither shall any recourse be had against any of such Persons on account of the issuance and sale of the Bonds or on account of any representations in connection therewith. Any and all personal liability or obligation, whether in common law or in equity, or by reason of statute or constitution or by the enforcement of any assessment or otherwise, of such commissioner, member, director, officer, employee, agent or counsel to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Issuer or any receiver thereof, of for or to any Holder of the Bonds or otherwise, of

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any sum that may remain due and unpaid upon the Bonds or under any documents executed in connection with the issuance thereof is hereby expressly waived and released as a condition of and in consideration for the execution of this Loan Agreement and the issuance of the Bonds.

(c) Notwithstanding anything to the contrary in the Bond Indenture or this Loan Agreement, the Issuer shall have no obligation to and instead the Bond Trustee and/or the Bondholders, as the case may be, in accordance with the Bond Indenture or this Loan Agreement, shall have the right, without any direction from or action by the Issuer, to take any and all steps, actions and proceedings, to enforce any or all rights of the Issuer (other than the Issuer's Reserved Rights) under the Bond Indenture or this Loan Agreement, including, without limitation, the rights to enforce the remedies upon the occurrence and continuation of an Event of Default and the Obligations of the Borrower under this Loan Agreement.

(d) Nothing herein shall be deemed or construed to limit, impair or affect in any way the Issuer's (or any Issuer Indemnified Party's) right to enforce the Issuer's Reserved Rights, regardless of whether there is then existing an Event of Default (including, without limitation, a payment default), or any action based thereon or occasioned by an Event of Default or alleged Event of Default, and regardless of any waiver or forbearance granted by the Bond Trustee or any Bondholder in respect thereof. Any default or Event of Default in respect of the Issuer's Reserved Rights may only be waived with the Issuer's written consent.

(e) None of the provisions of the Bond Indenture or this Loan Agreement shall require the Issuer to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless payable from the revenues pledged hereby for the payment of the Bonds and their application as provided in the Bond Indenture, or unless the Issuer shall first have been adequately indemnified to its satisfaction against the cost, expense, and liability which may be incurred thereby. The Issuer shall not be under any obligation hereunder to perform any administrative service with respect to the Bonds or the Projects (including, without limitation, record keeping and legal services), it being understood that such services shall be performed or provided by the Bond Trustee or the Borrower. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions expressly contained in the Bond Indenture, this Loan Agreement, and any and every Bond executed, authenticated and delivered under the Bond Indenture; provided, however, that the Issuer shall not be obligated to take any action or execute any instrument pursuant to any provision hereof unless and until it shall have (i) been directed to do so in writing by the Borrower, the Bond Trustee, or the Bondholders having the authority to so direct; (ii) received from the Person requesting such action or execution assurance satisfactory to the Issuer that the Issuer's expenses incurred or to be incurred in connection with taking such action or executing such instrument have been or will be paid or reimbursed to the Issuer; and (iii) if applicable, received in a timely manner the instrument or document to be executed, in form and substance satisfactory to the Issuer.

In complying with any provision herein or in the Bond Indenture, including but not limited to any provision requiring the Issuer to "cause" another Person to take or omit any action, the Issuer shall be entitled to rely conclusively (and without independent investigation or verification) (i) on the faithful performance by the Bond Trustee or the Borrower, as the case may be, of their respective obligations hereunder and under the Bond Indenture and (ii) upon any written

certification or opinion furnished to the Issuer by the Bond Trustee or the Borrower, as the case may be. In acting, or in refraining from acting, under this Loan Agreement, the Issuer may conclusively rely on the advice of its counsel. The Issuer shall not be required to take any action hereunder or under the Bond Indenture that it reasonably believes to be unlawful or in contravention hereof or thereof.

Section 7.15 No Warranty by Issuer. The Issuer makes no warranty, either express or implied, as to the Projects or the condition thereof, or that the Projects will be suitable for the purposes or needs of the Borrower. The Issuer makes no representation or warranty, express or implied, that the Borrower will have quiet and peaceful possession of the Projects. The Issuer makes no representation or warranty, express or implied, with respect to the merchantability, condition or workmanship of any part of the Projects or its suitability for the purposes of the Borrower.

Section 7.16 Prior Loan Agreements Superseded. This Loan Agreement, together with all agreements executed by the parties concurrently herewith or in conjunction with the initial issuance of the Bonds, shall completely and fully supersede all other prior understandings or agreements, both written and oral, between the Issuer and the Borrower relating to the Bonds, the lending of money and the Projects.

Section 7.17 Covenant by the Borrower with Respect to Statements, Representations and Warranties. It is understood by the Borrower that all such statements, representations and warranties made in this Loan Agreement shall be deemed to have been relied upon by the Issuer as an inducement to issue the Bonds, and that if any such statements, representations and warranties were false at the time they were made or (with respect to those representations and warranties that are to continue) are breached during the term hereof, such misrepresentation or breach shall constitute a breach of this Loan Agreement that may give rise to an event of default hereunder.

Section 7.18 Survival. Notwithstanding the payment in full of the Bonds, the discharge of the Bond Indenture, and the termination or expiration of the Obligations and this Loan Agreement, all provisions in this Loan Agreement concerning (a) the tax-exempt status of the Tax-Exempt Bonds (including, but not limited to provisions concerning the payment of the Rebate Amount (as defined in the Tax Agreement)), (b) the interpretation of this Loan Agreement, (c) the governing law, jurisdiction and venue, (d) the Issuer's right to rely on written representations of others contained herein or in any other document or instrument issued or entered into in respect of the Bonds, regardless of whether the Issuer is a party thereto, (e) the indemnification rights and exculpation from liability of the Issuer and the Issuer Indemnified Parties, and (f) any other provision of this Loan Agreement not described or enumerated above that expressly provides for its survival, shall survive and remain in full force and effect notwithstanding the payment or redemption in full, or defeasance of the Bonds, the discharge of the Bond Indenture, and the termination or expiration of this Loan Agreement.

Section 7.19 Notice of Change in Fact. The Borrower will notify the Issuer and the Bond Trustee promptly after the Borrower becomes aware of (i) any change in any material fact or circumstance represented or warranted by the Borrower in this Loan Agreement or in connection with the issuance of the Bonds that would make any such representation or warranty false when

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made, (ii) any default or event that, with notice or lapse of time or both, is reasonably likely to become an Event of Default under this Loan Agreement, the Bond Indenture or any Borrower Document, specifying in each case the nature thereof and what action the Borrower has taken, is taking, and/or proposes to take with respect thereto, (iii) any Internal Revenue Service audit of the Borrower or the Bonds, (iv) any material litigation affecting the Bonds, the Borrower or the facilities, and (v) any default in any indebtedness of the Borrower.

Section 7.20 Exculpatory Provision. In the exercise of the powers of the Issuer, the Bond Trustee and the other Indemnified Parties under the Bond Indenture, the Tax Agreement, the Continuing Disclosure Agreement and this Loan Agreement or any other Bond Document or Borrower Document, the Issuer, the Bond Trustee and the other Indemnified Parties shall not be accountable to the Borrower for any action taken or omitted by it or its officers in good faith and believed by it or them to be authorized or within their discretion or rights or powers conferred on them. The Issuer, the Bond Trustee and the other Indemnified Parties and their officers shall be protected in its or their acting upon any paper or document believed by it or them to be genuine, and it and they may conclusively rely upon the advice of counsel and may (but need not) require further evidence of any fact or matter before taking any action.

Section 7.21 Usury. In no event shall the aggregate amounts contracted for, demanded, charged, or collected in connection herewith which are deemed "interest" exceed the Lawful Rate. The term "Lawful Rate" shall mean the highest lawful rate of interest applicable to the Bonds pursuant to laws of the State. It is expressly stipulated and agreed to be the intent of the Borrower and the Issuer at all times to comply with the applicable law governing the Lawful Rate or amount of interest payable on or in connection with the Bonds (or applicable United States federal law to the extent that it permits the Issuer to contract for, demand, charge, take, reserve, or receive a greater amount of interest than under law of the State). If the applicable law, as judicially interpreted from time to time, shall ever render usurious any amount called for under this Loan Agreement, the Bonds, or under any of the other Bond Documents or Borrower Documents, or contracted for, demanded, charged, taken, reserved, or received with respect to the Bonds, or if acceleration of the maturity of the Bonds or if any prepayment by the Borrower results in the Borrower having paid any interest in excess of that permitted by law, then it is the Borrower's and the Issuer's express intent that all excess amounts theretofore collected by the Issuer be credited on the principal balance of the Bonds (or, if the Bonds have been or would thereby be paid in full, the excess refunded to the Borrower), and the provisions of the Bonds and the other Bond Documents and Borrower Documents immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new documents, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder. The right to accelerate maturity of Bonds does not include the right to accelerate any interest which has not otherwise accrued on the date of acceleration, and the Issuer does not intend to collect any unearned interest in the event of acceleration. All sums paid or agreed to be paid to the Issuer for the use, forbearance, or detention of the Indebtedness evidenced hereby shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full term of such Indebtedness until payment in full so that the rate or amount of interest on the account of such Indebtedness does not exceed the applicable usury ceiling. Notwithstanding any provision contained in the Bonds or in any other Bond Documents or Borrower Documents that permit the compounding of interest, including, without limitation, any provision by which any accrued interest is added to the principal

amount of the Bonds, the total amount of interest that the Borrower is obligated to pay and the Issuer is entitled to receive with respect to the Bonds shall not exceed the amount calculated on a simple (i.e., noncompounded) interest basis at the Lawful Rate on principal amounts actually advanced to or for the account of the Borrower, so long as such advances remain outstanding, including all current and prior advances and any advances made pursuant to the Bond Documents or Borrower Documents (such as the payment of taxes, insurance premiums, and similar expenses or costs). This Loan Agreement is also subject to the condition that amounts paid hereunder representing late payment or penalty charges or the like shall only be payable to the extent permitted by law.

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IN WITNESS WHEREOF, the Issuer and Borrower have caused this Loan Agreement to be executed in their respective names as of the date first written above.

CAPITAL TRUST AUTHORITY

By: _____
Name: Chris Kemp
Title: Chair

ATTEST:

By: _____
Name: Cherry Fitch
Title: Secretary

[First Signature Page | Loan Agreement]

ALPHA LIFESTYLE PARTNERS, INC.,
a Delaware nonstock corporation,
as Borrower

By: _____
Name:
Title:

[Second Signature Page | Loan Agreement]

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EXHIBIT A

POST-ISSUANCE COMPLIANCE POLICIES AND PROCEDURES

[Follows]

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CTA

Capital Trust Authority

Tax-Exempt Debt
Post-Issuance Compliance Policies and Procedures

Adopted January 12, 2023

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Part I. Purpose.

It is the policy of Capital Trust Authority ("Authority") to comply, and have each conduit borrower (each, a "Borrower"), as listed in Exhibit A, comply, with all applicable federal tax rules related to the tax-exempt debt ("debt"[1]) issuances for which the Authority acts as a conduit issuer. As of the date of adoption of the following policies and procedures ("Policies and Procedures"), the Authority has or will act as the conduit issuer for "qualified private activity" bonds authorized under Section 142 ("Exempt Facility Bonds") of the Internal Revenue Code of 1986, as amended ("IRC"), or Section 145 ("Qualified 501(c)(3)" Bonds) of the IRC.

These Policies and Procedures are intended to serve as a guide for both the Authority and each of the Borrowers to facilitate compliance with the federal tax laws applicable to any of the Authority's outstanding conduit debt issuances for a Borrower (collectively, such debt issuances are referred to as "Borrower's Bonds").

In the event these Policies and Procedures conflict, in whole or in part, with the Tax Certificate and Agreement (or other similar certificate) (the "Tax Certificate") prepared on behalf of the Authority in connection with a debt issuance for a Borrower, the terms of the Tax Certificate shall control.

Part II. Responsibility of a Borrower's Primary Compliance Officer.

Except as otherwise described herein, a designated representative of the Authority (the "Authority Compliance Officer"), has primary responsibility for ensuring that the Authority's outstanding debt issuances are, and will remain, in compliance with federal tax law. It is the policy of the Authority to ensure this compliance by requesting each borrower to designate a "Primary Compliance Officer," as listed in Exhibit A, for each Borrower, who will be responsible for ensuring that the responsibilities designated to the Borrower, as detailed in these Policies and Procedures, are met, with respect to each of the Borrower's Bonds. The Authority Compliance Officer and each Borrower's Primary Compliance Officer may consult with the Authority's bond counsel, as well as other third-party providers, as needed, to ensure compliance with these Policies and Procedures.

The Authority encourages each Borrower to implement its own post-issuance policies and procedures. In addition, upon the recommendation of the Authority's counsel, the Authority may require each Borrower's Primary Compliance Officer, at the same time that these Policies and Procedures are reviewed, to complete a questionnaire for each issue of Borrower's Bonds outstanding. The forms of the questionnaires are shown on Exhibit B.

[1] Unless otherwise indicated herein, all references to "debt" shall include any tax-exempt debt.

Part III. Closing of Debt Issuances.

A. Tax Certificates. The Authority's bond counsel, with assistance from the Borrower for such debt issuance and professionals associated with the financing, shall prepare a Tax Certificate in connection with each conduit debt issuance issued by the Authority, to be executed by the Executive Director, as well as the Borrower's Primary Compliance Officer or other authorized designee of the Borrower, at closing. The Tax Certificate shall serve as the operative document for purposes of establishing the Authority's and Borrower's reasonable expectations as of the date of issue of the Borrower's Bonds, as well as provide a summary of the federal tax rules applicable to such issuance. The Authority Compliance Officer and the Borrower's Primary Compliance Officer will review with the Authority's bond counsel the Tax Certificate prepared for each of the Authority's conduit debt issues for a Borrower prior to the closing of the issue.

B. Internal Revenue Service Form 8038 – Tax-Exempt Bonds. The Authority's bond counsel, with assistance from the Borrower's Primary Compliance Officer and other professionals associated with the financing, shall prepare an Internal Revenue Service ("IRS") Form 8038 (Information Return for Tax-Exempt Private Activity Bond Issues), in connection with each conduit debt issuance issued by the Authority, which the Authority Compliance Officer and the Borrower's Primary Compliance Officer will review prior to closing. Each IRS Form 8038 prepared for a debt issuance for a Borrower will be filed by the Authority's bond counsel with the IRS no later than the 15th day after the 2nd calendar month after the close of the calendar quarter in which the tax-exempt obligation to which such Form 8038 relates is issued.

Part IV. Use of Debt Proceeds – Qualified 501(c)(3) Bonds.

A. Private Use Generally. Neither the Authority nor any Borrower of proceeds of Qualified 501(c)(3) Bonds will knowingly take or permit to be taken any action which would cause any of the Borrower's Qualified 501(c)(3) Bonds to become "private activity bonds" other than Qualified 501(c)(3) Bonds as described below. Generally, a bond issue constitutes Qualified 501(c)(3) Bonds if:

1. 100% of the property which is financed or refinanced by the net proceeds of the bonds is owned by an organization described in Section 501(c)(3) of the IRC or a governmental unit, and

2. (a) At least 95% of the net proceeds of the bonds are used by a 501(c)(3) organization in furtherance of its exempt purpose or by a governmental unit. In general, an activity is treated as "exempt" if it does not constitute an "unrelated trade or business" of the 501(c)(3) organization using the net proceeds of the bonds, determined by applying Section 513(a) of the IRC, or

(b) Not more than 5% of the net proceeds of the bonds is (a) secured by an interest in property, or payments in respect of property, used by a 501(c)(3) organization in an unrelated trade or business or for a private business use, or (2) derived from payments (whether or not to the Authority) made in respect of property, or borrowed money, used by a 501(c)(3) organization in an unrelated trade or business or for a private business use.

B. Overview. Each Borrower's Primary Compliance Officer will be responsible for routinely reviewing the uses of its facilities financed with the proceeds of Borrower's Qualified 501(c)(3) Bonds for continued qualification of such bonds as Qualified 501(c)(3) Bonds. In addition, the Borrower may consult with the Authority's bond counsel regarding the applicable federal tax limitations imposed on each series of Borrower's Qualified 501(c)(3) Bonds and whether arrangements with third parties give rise to private business use of the financed projects. The private business use arrangements to be monitored by the Borrower include, but are not limited to, the following:

1. Management or Other Service Contracts. In the event the Borrower enters into a management contract, service agreement, operating agreement or license with a third-party, the Borrower will evaluate whether such arrangement results in private business use. The Borrower's Primary Compliance Officer shall be responsible for such evaluation and will review every service contract entered into involving the use of property financed with the proceeds of Borrower's Qualified 501(c)(3) Bonds. For these purposes, a management contract, service agreement, operating agreement and license include any contract under which a service provider provides services involving any portion of property financed with the proceeds of Borrower's Qualified 501(c)(3) Bonds (a "Service Contract").

It is the intent of both the Authority and the Borrower to have the Borrower structure all Service Contracts impacting property financed with the proceeds of Borrower's Qualified 501(c)(3) Bonds so as to satisfy one of the private business use safe harbors set forth in Revenue Procedure 2017-13. If the Borrower expects to enter into a Service Contract that may not satisfy the safe harbors set forth in Revenue Procedure 2017-13, the Borrower should consult with the Authority's bond counsel to assess the impact, if any, that the noncompliant Service Contract would have on the tax status of the Borrower's Qualified 501(c)(3) Bonds, if any. For Borrower's reference, Revenue Procedure 2017-13 can be found as Exhibit C to this Policies and Procedures.

2. Leases and Subleases. Each Borrower's Primary Compliance Officer will monitor all leases and subleases that involve the use of property financed with the proceeds of Borrower's Qualified 501(c)(3) Bonds, including the name of the lessee (or sublessee), the term of the lease (or sublease), the amount of the rent paid by the lessee (or sublessee) and the square footage of space used by the lessee (or sublessee) relative to the square footage of such property.

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3. Naming Rights Agreements. Each Borrower's Primary Compliance Officer will monitor all naming rights agreements that involve property financed with the proceeds of Borrower's Qualified 501(c)(3) Bonds, including the term of the arrangement and the amount paid by the naming party.

4. Sponsored Research. Each Borrower's Primary Compliance Officer will monitor all "Sponsored Research Agreements" that involve property financed with the proceeds of Borrower's Qualified 501(c)(3) Bonds. The Borrower will apply Revenue Procedure 2007-47, 2007-29 I.R.B. 108, to any research sponsorship agreement existing now or in the future with respect to such property.

5. Clinical Trials. Each Borrower's Primary Compliance Officer will monitor all clinical trial agreements that involve property financed with the proceeds of Borrower's Qualified 501(c)(3) Bonds, including the term of the arrangement, the sponsoring entity, the trial to be conducted and the amount paid by the sponsoring party.

6. Joint Ventures and Partnership Arrangements. Each Borrower's Primary Compliance Officer will monitor all joint ventures, partnerships, or other cooperative agreements that involve the use of property financed with the proceeds of Borrower's Qualified 501(c)(3)Bonds.

7. Unrelated Trade or Business Use. Each Borrower's Primary Compliance Officer will monitor all uses of the bond financed property to determine whether any uses of such property gives rise to unrelated trade or business use.

C. Sales of Debt-Financed Property. It is the Authority's policy to have the Borrower use proceeds of Borrower's Qualified 501(c)(3) Bonds to finance property that the Borrower intends to own for the entire term of the debt issue financing the projects. Prior to selling or otherwise disposing of any project financed with the proceeds of Borrower's Qualified 501(c)(3)Bonds for which debt remains outstanding, the Borrower shall consult with the Authority's bond counsel to determine the impact, if any, such sale or disposition would have on the tax status of the Borrower's Qualified 501(c)(3) Bonds.

D. Form 990 – Schedule K. Each Borrower of Qualified 501(c)(3) Bonds shall file Schedule K (Form 990) annually with the IRS to provide certain information on their outstanding liabilities associated with tax-exempt bond issues. Upon filing with the IRS, the Borrower shall provide a copy of Schedule K to the Authority.

Part V. Use of Debt Proceeds – Exempt Facility Bonds.

A. Use of Proceeds. Section 142(a) of the IRC requires that 95% or more of the "net proceeds" of a Borrower's Exempt Facility Bonds be used to provide the exempt facility.

B. Use of Exempt Facilities. The Borrower shall consult the Tax Certificate prepared for the Exempt Facility Bonds to determine the ownership and use standards applicable to the Exempt Facility Bonds.

Part VI. Arbitrage Limitations Imposed on Debt Issuances.

A. Rebate Analyst. At closing, each Borrower will retain an arbitrage rebate analyst (a "Rebate Analyst"). The Rebate Analyst will perform calculations to ascertain whether the Borrower owes an arbitrage rebate payment or yield reduction payment to the IRS, including whether the debt issuance in question qualifies for an exception to the arbitrage rebate rules. In the event a Borrower owes arbitrage rebate or has accrued a yield reduction payment liability to the IRS, that Borrower will coordinate with the Issuer for timely[2] signatures of IRS Form 8038-T, Arbitrage Rebate Yield Reduction and Penalty in Lieu of Arbitrage Rebate, to be prepared by the Rebate Analyst, together with payment in the amount equal to the arbitrage rebate or yield reduction payment liability calculated by the Rebate Analyst in accordance with the Tax Certificate related to such debt issue. Each Borrower will submit copies of reports and/or related materials to the Authority and the Authority's arbitrage rebate monitor evidencing that such payment has been made.

Part VII. Accounting for Debt Proceeds.

A. General. Except as otherwise described below and in the Tax Certificate entered into by the Authority and a Borrower in connection with a debt issuance, it is the policy of the Authority to have each Borrower consistently apply a generally accepted method of accounting for and allocating its debt proceeds.

B. Investment of Proceeds. Proceeds of each borrower's capital borrowings shall be accounted for in a separate fund or account. All proceeds shall be invested at the direction of the Borrower's Primary Compliance Officer.

C. Expenditure of Debt Proceeds on Capital Projects. The Borrower's Primary Compliance Officer reviews and approves invoices related to debt financed expenditures and causes payments to be made. All invoices and records of payment (either in the form of paper checks or electronic funds transfer confirmations) are retained by, or caused to be retained by, the Borrower in accordance with Part VIII, "Recordkeeping," below.

[2] For these purposes, timely shall mean within 60 days after each installment computation date, the Borrower will cause to be paid to the IRS at least 90% of the amount of arbitrage rebate and yield reduction payment liability owed and within 60 days after the final installment computation date, the Borrower will cause to be paid to the IRS 100% of the amount of arbitrage rebate and yield reduction payment liability owed.

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Each Borrower shall maintain accounting records, updated with each payment of an expenditure from proceeds of Borrower's Bonds, that for each outstanding issue of Borrower's Bonds show:

(1) The name and date of issue of the issue of Borrower's Bonds to which the proceeds relate;
(2) The projects financed with the proceeds of the issue of Borrower's Bonds;
(3) The authorized amount of proceeds to be used to finance each project;
(4) The amount of proceeds of the issue of Borrower's Bonds used to date to finance each project;
(5) The amount of unspent proceeds of the issue of Borrower's Bonds to be used to finance each project; and
(6) The date on which the debt proceeds related to each project were fully expended.

Part VIII. Recordkeeping.

A. General. The Authority's relationship with Digital Assurance Certification, L.L.C. ("DAC") is intended to assist the Authority in maintaining compliance with their recordkeeping responsibilities. Each Tax Certificate prepared on behalf of the Authority and a Borrower for a debt issuance shall provide for a description of the records to be maintained by or on behalf of the Authority and a Borrower and the period of time such records must be maintained. In addition, each Borrower will remain familiar with the IRS's Frequently Asked Questions related to the recordkeeping requirements for debt.

B. Means of Maintaining Records. Each of the Borrowers may maintain all records required to be held as described in this Part VIII in paper and/or electronic (e.g., CD, disks, tapes) form either internally or through the record-keeping system maintained by DAC. It is the policy of the Authority to have each Borrower maintain as much of its records electronically as feasible.

C. Transcript and Use of Debt Proceeds. Each Borrower shall maintain, or cause to be maintained, all records relating to the tax-exempt status of its debt issuances and the representations, certifications and covenants set forth in its respective Tax Certificates until the date 3 years after the last outstanding obligation of the issue to which such records and Tax Certificate relate has been retired. These records include, but are not limited to, the following:

(1) basic records and documents relating to the obligations (including the transcript, which shall include, among other records, the Tax Certificate, Internal Revenue Service Form 8038-G, verification report, authorizing resolution(s), trust indenture, loan agreement, record of public approval, and the opinion of bond counsel),

(2) documentation evidencing the expenditure of debt proceeds,
(3) documentation evidencing the use of debt financed projects by public and private sources, including copies of all arrangements described in Part VI of these Policies and Procedures,

(4) documentation evidencing all sources of payment or security for the debt issuance; and

(5) documentation pertaining to any investment of debt proceeds (including the purchase and sale of securities, SLGS subscriptions (if applicable), yield calculations for each class of investments, actual investment income received from the investment of proceeds, guaranteed investment contracts, and rebate calculations).

D. Investment Records. Each Borrower shall maintain detailed records with respect to every investment acquired with proceeds of its debt issuances until the date three years after the last outstanding obligation of the issue to which such records and nonpurpose investments relate has been retired. These records may reflect, but are not limited to, the following:

(1) purchase date, (2) purchase price, (3) information establishing fair market value on the date such investment became allocated to gross proceeds of the debt, (4) any accrued interest paid, (5) face amount, (6) coupon rate, (7) periodicity of interest payments, (8) disposition price, (9) any accrued interest received, (10) disposition date, and (11) broker's fees paid (if at all) or other administrative costs with respect to each such nonpurpose investment.

E. Arbitrage Rebate and Yield Reduction Payment Records. Each of the Borrowers shall maintain all records of arbitrage rebate payment and yield reduction payment calculations performed by the Rebate Analyst (irrespective of whether that Borrower owed any amount to the IRS), and records related to any arbitrage rebate payments or yield reduction payments made to the IRS, including the calculations performed by the Rebate Analyst substantiating such payments, together with the IRS Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, that accompanied all such payments, until the date 3 years after the last outstanding obligation of the issue to which such records and rebate payments relate has been retired.

F. Overpayment of Arbitrage Rebate Records. In the event a Borrower has overpaid to the United States an arbitrage rebate or yield reduction payment liability, the Borrower shall maintain all records of such arbitrage rebate payments or yield reduction payments, including calculations performed by the Rebate Analyst, together with the IRS Form 8038-R, Request for Recovery of Overpayments Under Arbitrage Rebate Provisions, that accompanied the request for a recovery of such overpayment until the date 3 years after the last outstanding obligation of the issue to which such records and rebate overpayments relate has been retired.

G. Other Records. In addition to the records described above, each Borrower will maintain the following records, to the extent applicable to a particular debt offering, until the date 3 years after the last outstanding obligation of the issue to which such relate has been retired:

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(1) minutes and resolutions authorizing the issuance of, or the reimbursement of expenditures using proceeds of, the financing,
(2) appraisals, demand surveys and feasibility studies related to debt financed or refinanced property,
(3) documentation relating to any third-party funding for a project to which debt proceeds will be applied (including government grants),
(4) records of any Internal Revenue Service audit(s) or compliance check(s), or any other Internal Revenue Service inquiry related to the debt.

H. Applicability of Recordkeeping Requirement in the Event of a Refunding. In the event the Authority issues debt to retire prior debt of any of the Borrowers, that Borrower shall maintain all of the records described in this Part VIII with respect to the refunded debt until the date that is three years after the last outstanding tax-exempt obligation of the issue the proceeds of which were used to retire the refunded debt has been retired.

Part IX. Corrective Action.

A. General. In the event a violation of federal tax law is discovered, the Borrower's Primary Compliance Officer for such series of Bond will consult with the Authority Compliance Officer and the Authority's bond counsel to determine the best corrective action.

B. Remedial Actions. The Authority is aware of the remedial action rules contained in Treasury Regulations Section 1.141-12 (for Qualified 501(c)(3) Bonds) and Section 1.142-4 (for Exempt Facility Bonds), providing the Authority and Borrowers with the ability, in certain circumstances, to voluntarily remediate violations of the private business tests or private loan financing test. Although the Authority intends that none of its debt issuances will require the application of the remedial action rules, prior to taking any action that would cause one or more of its outstanding debt issuances to, absent a remedial action, violate the private business tests or private loan financing test, the Authority may consult with its bond counsel regarding the applicability of the remedial action rules to such action and the ability to remediate the impacted debt issuance.

C. Voluntary Closing Agreement Program. The Authority is aware of its ability, pursuant to IRS Notice 2008-31, to request a voluntary closing agreement with the IRS to correct failures on the part of a Borrower to comply with the federal tax rules related to tax-exempt debt issuances.

Part X. Continuing Education.

The Authority and each of the Borrowers will continue to consult regularly with the Authority's bond counsel regarding the federal tax rules applicable to its outstanding debt and changes to the federal tax law, and the Authority will regularly update these Policies and Procedures to reflect any such changes.

Each Borrower shall ensure that those who are tasked with bond compliance responsibilities shall undertake a reasonable amount of continuing education on an annual basis, including but not limited to, consulting with outside professionals, participation in conferences, reading informational updates from governmental resources and professional organizations, and participation in DAC webinars.

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Exhibit A to Annual Post-Issuance Tax Compliance Procedures

Capital Trust Authority Conduit Borrowers

Borrower

Name: _____

Address: _____

Primary Compliance Officer

Name _____

Title _____

Contact Info _____

Bond Issue

Title: _____

Dated Date: _____

Questionnaire: _____

Exhibit B to Annual Post-Issuance Tax Compliance Procedures

Forms of Questionnaires

Exhibit B-1 – Exempt Facility

Exhibit B-2 – Qualified 501(c)(3)

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Name of Borrower:_____
Name of Bond Issue: _____
Issue Date:_____

The Borrower certifies and acknowledges responsibility for monitoring post-issuance tax compliance with respect to the above-described bond issue, including, but not limited to:

- Qualified use of bond proceeds and bond-financed property, including the requirement that, in the event proceeds of the bond issue and/or the property financed thereby are used in a manner so as to require that a "remedial action" be taken, the Borrower complies with applicable federal tax law
- Arbitrage yield restriction and rebate requirements, including limiting the investment of bond proceeds, complying with applicable "temporary period" exceptions, monitoring amounts pledged directly or indirectly to secure the payment of debt service, and compliance with any applicable requirements to rebate excess investment earnings to the Federal Government.

In connection with the above, the Borrower hereby represents and certifies:

	Yes	No
(1) The Borrower is, and has been since the Issue Date, in compliance with the terms and conditions described in the Tax Certificate (or other similarly-named document) executed by the Borrower in connection with the issuance of the bonds		
(2) The Borrower is aware of its ability to take a "remedial action" pursuant to the Federal Income Tax Regulations arising out of the Borrower's failure to use the proceeds of the bonds and/or the property financed thereby in a qualifying manner		
(3) The Borrower will consult with the Capital Trust Authority in the event that an action is taken (or is not taken) that results in the need to take a "remedial action" pursuant to the Federal Income Tax Regulations		
(4) The Borrower is in compliance with the applicable arbitrage yield restriction and rebate requirements with respect to the bonds, including:		
(a) Investment of sale proceeds of the bonds at the applicable permissible yield		
(b) Monitoring and investment of "replacement proceeds" of the bonds at the applicable permissible yield		
(c) Payment of any yield reduction payments owed with respect to the bonds to the Internal Revenue Service		
(d) Compliance with the arbitrage rebate requirement, including the payment to the Internal Revenue Service of any arbitrage rebated owed with respect to the bonds		

	Yes	No
(5) The Borrower maintains, and will continue to maintain, sufficient records to establish compliance with applicable federal tax law, including, but not limited to, the matters described in Questions [1] through [4] above		

This Annual Post-Issuance Tax Compliance Certification of the Borrower is utilized by the Capital Trust Authority to assist the Authority in monitoring post-issuance tax compliance with respect to the above-referenced bonds. Nothing contained in this Annual Certification of the Borrower is intended to, or will, modify the Borrower's representations, certifications or warranties made under the Tax Certificate (or other similarly-named document) entered into by the Borrower in connection with the issuance of the bonds or otherwise modify or limit the Borrower's post-issuance tax compliance monitoring requirements.

Signature:_____
Name: _____
Title: _____
Date: _____

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Date : _____

Name of Borrower:_____

Name of Bond Issue: _____

Issue Date:_____

The Borrower certifies and acknowledges responsibility for monitoring post-issuance tax compliance with respect to the above-described bond issue, including, but not limited to:

- Qualified use of bond proceeds and bond-financed property, including the requirement that, in the event proceeds of the bond issue and/or the property financed thereby are used in a manner so as to require that a "remedial action" be taken, the Borrower complies with applicable federal tax law
- Arbitrage yield restriction and rebate requirements, including limiting the investment of bond proceeds, complying with applicable "temporary period" exceptions, monitoring amounts pledged directly or indirectly to secure the payment of debt service, and compliance with any applicable requirements to rebate excess investment earnings to the Federal Government.

In connection with the above, the Borrower hereby represents and certifies:

(1) The Borrower is, and has been since the Issue Date, in compliance with the terms and conditions described in the Tax Certificate (or other similarly-named document) executed by the Borrower in connection with the issuance of the bonds	**Yes**	**No**
(2) The Borrower has owned, and will continue to own, all property financed with the bond proceeds	**Yes**	**No**
(3) The Borrower is aware of its ability to take a "remedial action" pursuant to the Federal Income Tax Regulations arising out of the Borrower's failure to use the proceeds of the bonds and/or the property financed thereby in a qualifying manner	**Yes**	**No**
(4) The Borrower will consult with the Capital Trust Authority in the event that an action is taken (or is not taken) that results in the need to take a "remedial action" pursuant to the Federal Income Tax Regulations	**Yes**	**No**
(5) The Borrower is in compliance with the applicable arbitrage yield restriction and rebate requirements with respect to the bonds, including:	**Yes**	**No**
(a) Investment of sale proceeds of the bonds at the applicable permissible yield		
(b) Monitoring and investment of "replacement proceeds" of the bonds at the applicable permissible yield		
(c) Payment of any yield reduction payments owed with respect to the bonds to the Internal Revenue Service		

(d) Compliance with the arbitrage rebate requirement, including the payment to the Internal Revenue Service of any arbitrage rebated owed with respect to the bonds		
(6) The Borrower maintains, and will continue to maintain, sufficient records to establish compliance with applicable federal tax law, including, but not limited to, the matters described in Questions [1] through [4] above	**Yes**	**No**
(7) The Borrower has filed Schedule K to Form 990 with the IRS. Attach copy of Schedule K hereto.	**Yes**	**No**

This Annual Post-Issuance Tax Compliance Certification of the Borrower is utilized by the Capital Trust Authority to assist the Authority in monitoring post-issuance tax compliance with respect to the above-referenced bonds. Nothing contained in this Annual Certification of the Borrower is intended to, or will, modify the Borrower's representations, certifications or warranties made under the Tax Certificate (or other similarly-named document) entered into by the Borrower in connection with the issuance of the bonds or otherwise modify or limit the Borrower's post-issuance tax compliance monitoring requirements.

Signature : _____

Name: _____

Title: _____

Date : _____

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Revenue Procedure 2017-13

Internal Revenue Bulletin: 2017-6

February 6, 2017
Rev. Proc. 2017–13

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SECTION 1. PURPOSE

This revenue procedure provides safe harbor conditions under which a management contract does not result in private business use of property financed with governmental tax-exempt bonds under § 141(b) of the Internal Revenue Code or cause the modified private business use test for property financed with qualified 501(c)(3) bonds under § 145(a)(2)(B) to be met. This revenue procedure modifies, amplifies, and supersedes Rev. Proc. 2016–44, 2016–36 IRB 316, to address certain types of compensation, the timing of payment of compensation, the treatment of land, and methods of approval of rates. Sections 2.11 through 2.14 of this revenue procedure generally describe the modifications and amplifications made to Rev. Proc. 2016–44 by this revenue procedure.

SECTION 2. BACKGROUND

.01 Section 103(a) provides that, except as provided in § 103(b), gross income does not include interest on any State or local bond. Section 103(b)(1) provides that § 103(a) shall not apply to any private activity bond that is not a qualified bond (within the meaning of § 141). Section 141(a) provides that the term "private activity bond" means any bond issued as part of an issue (1) that meets the private business use test and private security or payment test, or (2) that meets the private loan financing test.

.02 Section 141(b)(1) provides generally that an issue meets the private business use test if more than 10 percent of the proceeds of the issue are to be used for any private business use. Section 141(b)(6) defines "private business use" as use (directly or indirectly) in a trade or business carried on by any person other than a governmental unit. For this purpose, any activity carried on by a person other than a natural person must be treated as a trade or business.

.03 Section 1.141–3(a)(1) of the Income Tax Regulations provides, in part, that the 10 percent private business use test of § 141(b)(1) is met if more than 10 percent of the proceeds of an issue is used in a trade or business of a nongovernmental person. For this purpose, the use of financed property is treated as the direct use of proceeds. Section 1.141–3(a)(2) provides that, in determining whether an issue meets the private business use test, it is necessary to look at both indirect and direct use of proceeds. Proceeds are treated as used in the trade or business of a nongovernmental person if a nongovernmental person, as a result of a single transaction or a series of related transactions, uses property acquired with the proceeds of an issue.

.04 Section 1.141–3(b)(1) provides that both actual and beneficial use by a nongovernmental person may be treated as private business use. In most cases, the private business use test is met only if a nongovernmental person has special legal entitlements to use the financed property under an arrangement with the issuer. In general, a nongovernmental person is treated as a private business user as a result of ownership; actual or beneficial use of property pursuant to a lease, a management contract, or an incentive payment contract; or certain other arrangements such as a take or pay or other output-type contract.

.05 Section 1.141–3(b)(3) provides generally that the lease of financed property to a nongovernmental person is private business use of that property. For this purpose, any arrangement that is properly characterized as a lease for federal income tax purposes is treated as a lease. Section 1.141–3(b)(3) further provides that, in determining whether a management contract is properly characterized as a lease, it is necessary to consider all the facts and circumstances, including the following factors: (1) the degree of control over the property that is exercised by a nongovernmental person; and (2) whether a nongovernmental person bears the risk of loss of the financed property.

.06 Section 1.141–3(b)(4)(i) provides generally that a management contract with respect to financed property may result in private business use of that property, based on all of the facts and circumstances. A management contract with respect to financed property generally results in private business use of that property if the contract provides for compensation for services rendered with compensation based, in whole or in part, on a share of net profits from the operations of the facility. Section 1.141–3(b)(4)(iv) provides generally that a management contract with respect to financed property results in private business use of that property if the service provider is treated as the lessee or owner of financed property for federal income tax purposes.

.07 Section 1.141–3(b)(4)(ii) defines "management contract" as a management, service, or incentive payment contract between a governmental person and a service provider under which the service provider provides services involving all, a portion, or any function, of a facility. For example, a contract for the provision of management services for an entire hospital, a contract for management services for a specific department of a hospital, and an incentive payment contract for physician services to patients of a hospital are each treated as a management contract.

.08 Section 1.141–3(b)(4)(iii) provides that the following arrangements generally are not treated as management contracts that give rise to private business use: (A) contracts for services that are solely incidental to the primary governmental function or functions of a financed facility (for example, contracts for janitorial, office equipment repair, hospital billing, or similar services); (B) the mere granting of admitting privileges by a hospital to a doctor, even if those privileges are conditioned on the provision of de minimis services if those privileges are available to all qualified physicians in the area, consistent with the size and nature of the hospital's facilities; (C) a contract to provide for the operation of a facility or system of facilities that consists primarily of public utility property, if the only compensation is the reimbursement of actual and direct expenses of the service provider and reasonable administrative overhead expenses of the service provider; and (D) a contract to provide for services, if the only compensation is the reimbursement of the service provider for actual and direct expenses paid by the service provider to unrelated parties.

.09 Section 141(e) provides, in part, that the term "qualified bond" includes a qualified 501(c)(3) bond if certain requirements stated therein are met. Section 145(a) provides generally that "qualified 501(c)(3) bond" means any private activity bond issued as part of an issue if (1) all property that is to be provided by the net proceeds of the issue is to be owned by a 501(c)(3) organization or a governmental unit, and (2) such bond would not be a private activity bond if (A) 501(c)(3) organizations were treated as governmental units with respect to their activities that do not constitute unrelated trades or businesses, determined by applying § 513(a), and (B) § 141(b)(1) and (2) were applied by substituting "5 percent" for "10 percent" each place it appears and by substituting "net proceeds" for "proceeds" each place it appears. Section 1.145–2 provides that, with certain exceptions and modifications, §§ 1.141–0 through 1.141–15 apply to § 145(a).

.10 Rev. Proc. 2016–44 provides safe harbor conditions under which a management contract does not result in private business use of property financed with governmental tax-exempt bonds under § 141(b) or cause the modified private business use test for property financed with qualified 501(c)(3) bonds under § 145(a)(2)(B) to be met. Rev. Proc. 2016–44 modified and superseded Rev. Proc. 97–13, 1997–1 C.B. 632; Rev. Proc. 2001–39, 2001–2 C.B. 38; and section 3.02 of Notice 2014–67, 2014–46 I.R.B. 822.

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.11 Section 5.02 of Rev. Proc. 2016–44 sets forth general financial requirements for management compensation arrangements eligible for the safe harbor. Sections 5.02(2) and 5.02(3) of Rev. Proc. 2016–44 provide that the contract must neither provide to the service provider a share of net profits nor impose on the service provider the burden of bearing any share of net losses from the operation of the managed property. Before the publication of Rev. Proc. 2016–44, previously applicable revenue procedures expressly treated certain types of compensation, including capitation fees, periodic fixed fees, and per-unit fees (as defined therein), as not providing a share of net profits. Questions have arisen regarding whether these common types of compensation continue to be treated in a similar manner under Rev. Proc. 2016–44. Related questions have arisen about whether a service provider's payment of expenses of the operation of the managed property without reimbursement from the qualified user (as defined in section 4.04 of Rev. Proc. 2016–44) affects the treatment of these types of compensation. To provide continuity with the previous safe harbors, this revenue procedure clarifies that these types of compensation and certain incentive compensation will not be treated as providing a share of net profits or requiring the service provider to bear a share of net losses.

.12 Sections 5.02(2) and 5.02(3) of Rev. Proc. 2016–44 also provide that the timing of payment of compensation cannot be contingent upon net profits or net losses from the operation of the managed property. Questions have arisen about the effect of these restrictions on the timing of payment of compensation. This revenue procedure clarifies that compensation subject to an annual payment requirement and reasonable consequences for late payment (such as interest charges or late payment fees) will not be treated as contingent upon net profits or net losses if the contract includes a requirement that the qualified user will pay the deferred compensation within five years of the original due date of the payment.

.13 Section 5.03 of Rev. Proc. 2016–44 provides that the term of the contract, including all renewal options (as defined in § 1.141–1(b)), must be no greater than the lesser of 30 years or 80 percent of the weighted average reasonably expected economic life of the managed property. For this purpose, under Rev. Proc. 2016–44, economic life is determined in the same manner as under § 147(b), but without regard to § 147(b)(3)(B)(ii), as of the beginning of the term of contract. Section 147(b)(3)(B)(i) provides that generally land is not taken into account, but § 147(b)(3)(B)(ii) provides that if 25 percent or more of the net proceeds of any issue is to be used to finance the acquisition of land, such land shall be taken into account and treated as having an economic life of 30 years. Questions have arisen about excluding land when the cost of the land accounts for a significant portion of the managed property. This revenue procedure provides that economic life is determined in the same manner as under § 147(b) as of the beginning of the term of the contract. Thus, land will be treated as having an economic life of 30 years if 25 percent or more of the net proceeds of the issue that finances the managed property is to be used to finance the costs of such land.

.14 Section 5.04 of Rev. Proc. 2016–44 provides that the qualified user must exercise a significant degree of control over the use of the managed property. Section 5.04 of Rev. Proc. 2016–44 further provides that this requirement is met if the contract requires the qualified user to approve, among other things, the rates charged for use of the managed property. Section 5.04 of Rev. Proc. 2016–44 also provides that a qualified user may show approval of rates charged for use of the managed property by either expressly approving such rates (or the methodology for setting such rates) or by including in the contract a requirement that service provider charge rates that are reasonable and customary as specifically determined by an independent third party. Questions have arisen about the requirement to approve the rates in various circumstances in which it may not be feasible to approve each specific rate charged, such as for a physician's professional services at a § 501(c)(3) hospital or hotel room rates at a governmentally-owned hotel. This revenue procedure clarifies that a qualified user may satisfy the approval of rates requirement by approving a reasonable general description of the method used to set the rates or by requiring that the service provider charge rates that are reasonable and customary as specifically determined by, or negotiated with, an independent third party.

SECTION 3. SCOPE

This revenue procedure applies to a management contract (as defined in section 4.03 of this revenue procedure) involving managed property (as defined in section 4.04 of this revenue procedure) financed with the proceeds of an issue of governmental bonds (as defined in § 1.141–1(b)) or qualified 501(c)(3) bonds (as defined in § 145).

SECTION 4. DEFINITIONS

For purposes of this revenue procedure, the following definitions apply:

.01 *Capitation fee* means a fixed periodic amount for each person for whom the service provider or the qualified user assumes the responsibility to provide all needed services for a specified period so long as the quantity and type of services actually provided to such persons varies substantially. For example, a capitation fee includes a fixed dollar amount payable per month to a medical service provider for each member of a health maintenance organization plan for whom the provider agrees to provide all needed medical services for a specified period. A fixed periodic amount may include an automatic increase according to a specified, objective, external standard that is not linked to the output or efficiency of the managed property. For example, the Consumer Price Index and similar external indices that track increases in prices in an area or increases in revenues or costs in an industry are objective, external standards. A capitation fee may include a variable component of up to 20 percent of the total capitation fee designed to protect the service provider against risk such as risk of catastrophic loss.

.02 *Eligible expense reimbursement arrangement* means a management contract under which the only compensation consists of reimbursements of actual and direct expenses paid by the service provider to unrelated parties and reasonable related administrative overhead expenses of the service provider.

.03 *Management contract* means a management, service, or incentive payment contract between a qualified user and a service provider under which the service provider provides services for a managed property. A management contract does not include a contract or portion of a contract for the provision of services before a managed property is placed in service (for example, pre-operating services for construction design or construction management).

.04 *Managed property* means the portion of a project (as defined in § 1.141–6(a)(3)) with respect to which a service provider provides services.

.05 *Periodic fixed fee* means a stated dollar amount for services rendered for a specified period of time. For example, a stated dollar amount per month is a periodic fixed fee. The stated dollar amount may automatically increase according to a specified, objective external standard that is not linked to the output or efficiency of the managed property. For example, the Consumer Price Index and similar external indices that track increases in prices in an area or increases in revenues or costs in an industry are objective external standards. Capitation fees and per-unit fees are not periodic fixed fees.

.06 *Per-unit fee* means a fee based on a unit of service provided specified in the contract or otherwise specifically determined by an independent third party, such as the administrator of the Medicare program, or the qualified user. For example, a stated dollar amount for each specified medical procedure performed, car parked, or passenger mile is a per-unit fee. Separate billing arrangements between physicians and hospitals are treated as per-unit fee arrangements. A fee that is a stated dollar amount specified in the contract does not fail to be a per-unit fee as a result of a provision under which the fee may automatically increase according to a specified, objective, external standard that is not linked to the output or efficiency of the managed property. For example, the Consumer Price Index and similar external indices that track increases in prices in an area or increases in revenues or costs in an industry are objective, external standards.

.07 *Qualified user* means, for projects (as defined in § 1.141–6(a)(3)) financed with governmental bonds, any governmental person (as defined in § 1.141–1(b)) or, for projects financed with qualified 501(c)(3) bonds, any governmental person or any 501(c)(3) organization with respect to its activities which do not constitute an unrelated trade or business, determined by applying § 513(a).

.08 *Service provider* means any person other than a qualified user that provides services to, or for the benefit of, a qualified user under a management contract.

.09 *Unrelated parties* means persons other than either: (1) a related party (as defined in § 1.150–1(b)) to the service provider or (2) a service provider's employee.

SECTION 5. SAFE HARBOR CONDITIONS UNDER WHICH MANAGEMENT CONTRACTS DO NOT RESULT IN PRIVATE BUSINESS USE

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.01 *In general*. If a management contract meets all of the applicable conditions of sections 5.02 through section 5.07 of this revenue procedure, or is an eligible expense reimbursement arrangement, the management contract does not result in private business use under § 141(b) or 145(a)(2)(B). Further, under section 5.08 of this revenue procedure, use functionally related and subordinate to a management contract that meets these conditions does not result in private business use.

.02 *General financial requirements*.

(1) *In general*. The payments to the service provider under the contract must be reasonable compensation for services rendered during the term of the contract. Compensation includes payments to reimburse actual and direct expenses paid by the service provider and related administrative overhead expenses of the service provider.

(2) *No net profits arrangements*. The contract must not provide to the service provider a share of net profits from the operation of the managed property. Compensation to the service provider will not be treated as providing a share of net profits if no element of the compensation takes into account, or is contingent upon, either the managed property's net profits or both the managed property's revenues and expenses (other than any reimbursements of direct and actual expenses paid by the service provider to unrelated third parties) for any fiscal period. For this purpose, the elements of the compensation are the eligibility for, the amount of, and the timing of the payment of the compensation. Incentive compensation will not be treated as providing a share of net profits if the eligibility for the incentive compensation is determined by the service provider's performance in meeting one or more standards that measure quality of services, performance, or productivity, and the amount and the timing of the payment of the compensation meet the requirements of this section 5.02(2).

(3) *No bearing of net losses of the managed property*.

(a) The contract must not, in substance, impose upon the service provider the burden of bearing any share of net losses from the operation of the managed property. An arrangement will not be treated as requiring the service provider to bear a share of net losses if:

- (i) The determination of the amount of the service provider's compensation and the amount of any expenses to be paid by the service provider (and not reimbursed), separately and collectively, do not take into account either the managed property's net losses or both the managed property's revenues and expenses for any fiscal period; and

- (ii) The timing of the payment of compensation is not contingent upon the managed property's net losses.

(b) For example, a service provider whose compensation is reduced by a stated dollar amount (or one of multiple stated dollar amounts) for failure to keep the managed property's expenses below a specified target (or one of multiple specified targets) will not be treated as bearing a share of net losses as a result of this reduction.

(4) *Treatment of certain types of compensation*. Without regard to whether the service provider pays expenses with respect to the operation of the managed property without reimbursement by the qualified user, compensation for services will not be treated as providing a share of net profits or requiring the service provider to bear a share of net losses under sections 5.02(2) and 5.02(3) of this revenue procedure if the compensation for services is: (a) based solely on a capitation fee, a periodic fixed fee, or a per-unit fee; (b) incentive compensation described in the last sentence of section 5.02(2) of this revenue procedure; or (c) a combination of these types of compensation.

(5) *Treatment of timing of payment of compensation*. Deferral due to insufficient net cash flows from the operation of the managed property of the payment of compensation that otherwise meets the requirements of sections 5.02(2) and 5.02(3) of this revenue procedure will not cause the deferred compensation to be treated as contingent upon net profits or net losses under sections 5.02(2) and 5.02(3) of this revenue procedure if the contract includes requirements that:

- (a) The compensation is payable at least annually;

- (b) The qualified user is subject to reasonable consequences for late payment, such as reasonable interest charges or late payment fees; and

- (c) The qualified user will pay such deferred compensation (with interest or late payment fees) no later than the end of five years after the original due date of the payment.

.03 *Term of the contract and revisions*. The term of the contract, including all renewal options (as defined in § 1.141–1(b)), must not be greater than the lesser of 30 years or 80 percent of the weighted average reasonably expected economic life of the managed property. For this purpose, economic life is determined in the same manner as under § 147(b) as of the beginning of the term of the contract. A contract that is materially modified with respect to any matters relevant to this section 5 is retested under this section 5 as a new contract as of the date of the material modification.

.04 *Control over use of the managed property*. The qualified user must exercise a significant degree of control over the use of the managed property. This control requirement is met if the contract requires the qualified user to approve the annual budget of the managed property, capital expenditures with respect to the managed property, each disposition of property that is part of the managed property, rates charged for the use of the managed property, and the general nature and type of use of the managed property (for example, the type of services). For this purpose, for example, a qualified user may show approval of capital expenditures for a managed property by approving an annual budget for capital expenditures described by functional purpose and specific maximum amounts; and a qualified user may show approval of dispositions of property that is part of the managed property in a similar manner. Further, for example, a qualified user may show approval of rates charged for use of the managed property by expressly approving such rates or a general description of the methodology for setting such rates (such as a method that establishes hotel room rates using specified revenue goals based on comparable properties), or by requiring that the service provider charge rates that are reasonable and customary as specifically determined by, or negotiated with, an independent third party (such as a medical insurance company).

.05 *Risk of loss of the managed property*. The qualified user must bear the risk of loss upon damage or destruction of the managed property (for example, due to force majeure). A qualified user does not fail to meet this risk of loss requirement as a result of insuring against risk of loss through a third party or imposing upon the service provider a penalty for failure to operate the managed property in accordance with the standards set forth in the management contract.

.06 *No inconsistent tax position*. The service provider must agree that it is not entitled to and will not take any tax position that is inconsistent with being a service provider to the qualified user with respect to the managed property. For example, the service provider must agree not to claim any depreciation or amortization deduction, investment tax credit, or deduction for any payment as rent with respect to the managed property.

.07 *No circumstances substantially limiting exercise of rights*.

(1) *In general*. The service provider must not have any role or relationship with the qualified user that, in effect, substantially limits the qualified user's ability to exercise its rights under the contract, based on all the facts and circumstances.

(2) *Safe harbor*. A service provider will not be treated as having a role or relationship prohibited under section 5.07(1) of this revenue procedure if:

- (a) No more than 20 percent of the voting power of the governing body of the qualified user is vested in the directors, officers, shareholders, partners, members, and employees of the service provider, in the aggregate;

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- (b) The governing body of the qualified user does not include the chief executive officer of the service provider or the chairperson (or equivalent executive) of the service provider's governing body; and

- (c) The chief executive officer of the service provider is not the chief executive officer of the qualified user or any of the qualified user's related parties (as defined in § 1.150–1(b)).

(3) For purposes of section 5.07(2) of this revenue procedure, the phrase "service provider" includes the service provider's related parties (as defined in § 1.150–1(b)) and the phrase "chief executive officer" includes a person with equivalent management responsibilities.

.08 *Functionally related and subordinate use*. A service provider's use of a project (as defined in § 1.141–6(a)(3)) that is functionally related and subordinate to performance of its services under a management contract for managed property that meets the conditions of this section 5 does not result in private business use of that project. For example, use of storage areas to store equipment used to perform activities required under a management contract that meets the requirements of this section 5 does not result in private business use.

SECTION 6. EFFECT ON OTHER DOCUMENTS

Rev. Proc. 2016–44 is modified, amplified, and superseded.

SECTION 7. DATE OF APPLICABILITY

This revenue procedure applies to any management contract that is entered into on or after January 17, 2017, and an issuer may apply this revenue procedure to any management contract that was entered into before January 17, 2017. In addition, an issuer may apply the safe harbors in Rev. Proc. 97–13, as modified by Rev. Proc. 2001–39 and amplified by Notice 2014–67, to a management contract that is entered into before August 18, 2017 and that is not materially modified or extended on or after August 18, 2017 (other than pursuant to a renewal option as defined in § 1.141–1(b)).

SECTION 8. DRAFTING INFORMATION

The principal authors of this revenue procedure are Johanna Som de Cerff and David White of the Office of Associate Chief Counsel (Financial Institutions & Products). For further information regarding this revenue procedure, contact David White on (202) 317-6980 (not a toll-free number).

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EXHIBIT B

DESCRIPTION OF THE PROJECT

The Project consists primarily of the acquisition of senior living facilities at the locations identified below:

Name of Obligated Group Member	Name of Facility	Address of Facility	Description of Facility
ALPHA LIFESTYLE PARTNERS FLORIDA, INC. ALP VENICE, LLC	Liana of Venice	2321 East Venice Avenue, Venice, Sarasota County, Florida 34292	54 units of capacity, primarily consisting of assisted living with memory care services, totaling 37,831 square feet, located on 2.88 acres of land
ALPHA LIFESTYLE PARTNERS FLORIDA, INC. ALP NAPLES, LLC	The Fairways at Naples	3053 Airport-Pulling Road North, Naples, Collier County, Florida 34105	54 units of capacity, primarily consisting of assisted living with memory care services, totaling 36,946 square feet, located on 8.90 acres of land
ALP COVINGTON, LLC	Sage Lake Senior Living of Covington	1444 Andrew Drive, Covington, St. Tammany Parish, Louisiana 70433	82 units of capacity, primarily consisting of assisted living and memory care, totaling 68,478 square feet, located on 6.64 acres of land

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APPENDIX C-3

FORM OF THE MASTER INDENTURE

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MASTER TRUST INDENTURE

among

ALPHA LIFESTYLE PARTNERS, INC.,
as Obligated Group Representative and as a Member of the Obligated Group

and

ALPHA LIFESTYLE PARTNERS FLORIDA, INC.,
ALP COVINGTON, LLC,
ALP NAPLES, LLC,
ALP VENICE, LLC,
each as a Member of the Obligated Group
and

UMB BANK, N.A.,
as Master Trustee

Dated as of _____ 1, 2025

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MASTER TRUST INDENTURE

THIS MASTER TRUST INDENTURE (this "Master Trust Indenture"), dated as of _____ 1, 2025, among ALPHA LIFESTYLE PARTNERS, INC., a Delaware nonstock corporation (the "Obligated Group Representative"), ALPHA LIFESTYLE PARTNERS, INC., a Delaware nonstock corporation, ALPHA LIFESTYLE PARTNERS FLORIDA, INC., a Florida not-for-profit corporation, ALP COVINGTON, LLC, a Delaware limited liability company, ALP NAPLES, LLC, a Delaware limited liability company, ALP VENICE, LLC, a Delaware limited liability company (each, a "Member of the Obligated Group" or "Member"), and UMB BANK, N.A., a national banking association organized and existing under the laws of the United States of America, being qualified to accept and administer the trusts hereby created as master trustee (the "Master Trustee").

W I T N E S S E T H:

WHEREAS, the Obligated Group Representative, the Obligated Group (as herein defined) and the Master Trustee enter into this Master Trust Indenture for the purpose of providing for the issuance from time to time of obligations hereunder to provide for the financing of the acquisition, improvement and equipping of certain senior living facilities, or for other lawful and proper corporate purposes; and

WHEREAS, all acts and things necessary to constitute this Master Trust Indenture a valid indenture and agreement according to its terms, have been done and performed and the Obligated Group Representative and the Obligated Group have duly authorized the execution and delivery of this Master Trust Indenture; and

WHEREAS, the Master Trustee agrees to accept and administer the trusts created hereby in accordance with the terms and conditions hereof;

NOW, THEREFORE, in consideration of the premises, of the acceptance by the Master Trustee of the trusts hereby created, and of the giving of consideration for and acceptance of the Obligations (as hereinafter defined) issued hereunder by the Holders (as hereinafter defined) thereof, and for the purposes of fixing and declaring the terms and conditions upon which such Obligations are to be issued, authenticated, delivered and accepted by all persons who shall from time to time be or become Holders thereof, the Obligated Group Representative and the Obligated Group covenant and agree with the Master Trustee for the equal and proportionate benefit of the respective Holders from time to time of Obligations issued hereunder, as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes of this Master Trust Indenture and of any supplemental indenture issued hereafter and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, equally applicable to both singular and plural forms of any of the terms herein defined.

"Accountant" means any firm of independent certified public accountants selected by the Obligated Group Representative.

"Actual Knowledge" means the personal knowledge of any key employee, senior staff member, management personnel, executive, officer or director of the applicable entity.

"Additional Indebtedness" means any Indebtedness (including all Obligations) incurred subsequent to the execution and delivery of this Master Trust Indenture.

"Administrative Costs Fund" means the fund by that name established pursuant to Section 4.04 hereof.

"Administrative Fees" means the items of expense to be paid or reimbursed by the Obligated Group related to this Master Trust Indenture and any Related Bond Indenture, which items of expense shall include, but not be limited to, fees and charges for the authorization, sale, issuance, execution, delivery, transportation and safekeeping of Obligations and Related Bonds and the investment of the proceeds of such Obligations and Related Bonds, including the annual fees and other fees and expenses payable to or incurred by a Related Bond Issuer under or in connection with Related Bonds, fees and charges of the Master Trustee and any Related Bond Trustee, fees and charges of any Dissemination Agent, legal fees and charges, professional consultant fees, costs of credit ratings, debt obligation underwriting and debt obligation issuance fees, and other costs, charges and fees in connection with the foregoing or as otherwise identified in a written direction of the Obligated Group Representative delivered to the Master Trustee pursuant to Section 4.04 hereof; provided however, that Administrative Fees shall not include the payment of any amount arising under indemnification provisions of any contract with any Person pursuant to which such costs, charges or fees are payable.

"Affiliate" means a corporation, limited liability company, partnership, joint venture, association, business trust or similar entity organized under the laws of the United States of America or any state thereof, directly controlled by or under common control with the Obligated Group Representative or any other Affiliate. For purposes of this definition, "control" means the power to direct the management and policies of a Person through the ownership of at least a majority of its voting securities, or the right to designate or elect at least a majority of the members of its board of directors by contract or otherwise.

"Annual Budget" means a written projection of all Operating Expenses for the forthcoming Fiscal Year prepared by the Obligated Group Representative pursuant to Section 3.08 hereof that includes monthly and total annual Operating Expenses broken down by Property.

"Asset Management Agreement" means the Asset Management Agreement by and between the Asset Manager and the Obligated Group Representative providing for asset management services and related services for each Property, which Asset Management Agreement sets forth market consistent "arm's length" terms for scope of services and fees.

"Asset Management Fees" means all fees payable by the Obligated Group pursuant to the Asset Management Agreement and the NFP Management Agreement, including (i) Senior Management Fees and (ii) Subordinated Management Fees.

"Asset Manager" means Trinity SL Asset Manager LLC, a Texas limited liability company.

"Authorized Representative" means with respect to the Obligated Group Representative, the chair (or president) of its Governing Body, its chief executive officer or its chief financial officer, its secretary or any other person designated as an Authorized Representative of the Obligated Group Representative by a Certificate of the Obligated Group Representative, signed by the chair (or president) of its Governing Body or its chief executive officer, its chief financial officer, or its secretary and filed with the Master Trustee.

"Balloon Indebtedness" means Funded Indebtedness, 25% or more of the original principal amount of which matures during any consecutive 12 month period, if such maturing principal amount is not required to be amortized below such percentage by mandatory redemption or prepayment prior to such 12 month period. Balloon Indebtedness does not include Indebtedness which otherwise would be classified hereunder as Put Indebtedness.

"Bankruptcy Code" means the federal Bankruptcy Code, Title 11 of the United States Code.

"Bond Counsel" means a firm of attorneys, selected or approved by a Related Bond Issuer, whose experience in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized.

"Bond Proceeds" means the proceeds of the sale of Related Bonds.

"Bond Year" means each twelve (12) month period ending January 1; provided, however, that the first Bond Year commences on the Master Trust Indenture Effective Date and ends on January 1, 2026.

"Book Value" means, when used in connection with Property, Plant and Equipment or other Property of the Obligated Group, the value of such property, net of accumulated depreciation, as it is carried on the books of such Person and in conformity with Generally Accepted Accounting Principles, and when used in connection with Property, Plant and Equipment or other Property of the Obligated Group, means the aggregate of the values so determined with respect to such property of the Obligated Group determined in such a way that no portion of such value of property of the Obligated Group is included more than once.

"Business Day" means any day other than a Saturday, a Sunday, or a day on which banking institutions or trust companies in West Des Moines, Iowa, the State of Florida, the State of New York, or such other jurisdiction as may be applicable to a Related Bond Trustee, are authorized or obligated by law, regulation or executive order to be closed.

"Capitalized Lease" means any lease of real or personal property which, in accordance with generally accepted accounting principles, is required to be capitalized on the balance sheet of the lessee.

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"Capitalized Rentals" means, as of the date of determination, the amount at which the aggregate Net Rentals due and to become due under a Capitalized Lease under which a Person is a lessee would be reflected as a liability on a balance sheet of such Person.

"Cash and Investments**"** means the sum of cash, cash equivalents, marketable securities of the Members of the Obligated Group, board-designated assets, and amounts, if any, on deposit in the Operating Account, the Operating Reserve Fund, and the Surplus Fund, but at all times excluding (a) any debt service reserve fund or capitalized interest fund for the benefit of Related Bonds and other trustee-held funds (including, to the extent applicable, amounts held in escrow or otherwise set aside pursuant to the requirements of the Residency Agreements) other than those specific funds listed above in this definition, (b) funds restricted by the donor to a use that would not permit the use of such funds to pay expenses or debt service on Indebtedness of the Obligated Group, (c) any funds being held in escrow as security for contested taxes, assessments, governmental charges or liens, and (d) any funds pledged or otherwise subject to a security interest for debt other than the Obligations, as shown on the most recent audited or unaudited financial statements of the Obligated Group.

"Certificate," "Statement," "Request," "Consent" or "Order" of the Obligated Group Representative or of the Master Trustee means, respectively, a written certificate, statement, request, consent or order signed in the name of the Obligated Group Representative by its respective Authorized Representative or in the name of the Master Trustee by its Responsible Officer. Any such instrument and supporting opinions or certificates, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or certificate and the two or more so combined shall be read and construed as a single instrument. If and to the extent required by Section 1.04 hereof, each such instrument shall include the statements provided for in Section 1.04.

"Closing Date" means, with respect to any Related Bonds, the date on which such Related Bonds are issued.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collateral Assignment of Licenses, Contracts and Agreements" means the Collateral Assignment of Licenses, Contracts and Agreements, dated as of [_____], 2025, executed by the Members of the Obligated Group in favor of the Master Trustee, as amended from time to time.

"Collateral Assignment of Property Management Agreement" means a Collateral Assignment of Property Management Agreement, dated as of [_____], 2025, executed by each Member in favor of the Master Trustee, as amended from time to time.

"Commitment Indebtedness" means the obligation of any Member to repay amounts disbursed pursuant to a commitment from a financial institution to refinance or purchase when due, when tendered or when required to be purchased (a) other Indebtedness of such Member, or (b) Indebtedness of a Person who is not a Member, which Indebtedness is guaranteed by a Guaranty of such Member or secured by or payable from amounts paid on Indebtedness of such Member, in either case which Indebtedness or Guaranty of such Member was incurred in

accordance with the provisions of Section 5.01 hereof, and the obligation of any Member to pay interest payable on amounts disbursed for such purposes, plus any fees, costs or expenses payable to such financial institution for, under or in connection with such commitment, in the event of disbursement pursuant to such commitment or in connection with enforcement thereof, including without limitation any penalties payable in the event of such enforcement.

"Continuing Disclosure Agreement" means each Continuing Disclosure Agreement by and between the Obligated Group Representative and the Dissemination Agent appointed thereto dated the date of issuance and delivery of the Related Bonds, as originally executed and as each may be amended from time to time in accordance with the terms thereof.

"Controlling Party" means (a) so long as any Senior Lien Obligations are Outstanding, the Holders of at least a majority of the aggregate Principal Amount of the Senior Lien Obligations then Outstanding; and (b) while any Junior Lien Obligations are Outstanding and no Senior Lien Obligations are Outstanding, the Holders of at least a majority of the aggregate Principal Amount of the Junior Lien Obligations then Outstanding.

"Credit Facility" means any Liquidity Facility, letter of credit, bond insurance policy, standby purchase agreement, guaranty, line of credit, surety bond or similar credit or liquidity facility securing any Indebtedness of any Member of the Obligated Group.

"Days Cash on Hand" means, as of the date of calculation, the amount determined by dividing (a) the amount of Cash and Investments on such date, by (b) the quotient obtained by dividing Operating Expenses for the 12-month period ending on the date of calculation, by 365.

"Debt Service Coverage Ratio" means for any period for which a calculation is made, the ratio determined by dividing the Income Available for Debt Service for such period by the Debt Service Requirement for such period.

"Debt Service Requirement" means, with respect to any such calculated period of time, the aggregate of the payments required to be made during such period in respect of principal (whether at maturity, as a result of mandatory sinking fund redemption, mandatory prepayment or otherwise) and interest on outstanding Funded Indebtedness of each Person or a group of Persons with respect to which such requirements are calculated; provided that: (a) the amount of such payments for a future period shall be calculated in accordance with the assumptions contained in Section 3.12 hereof; (b) interest shall be excluded from the determination of the Debt Service Requirement to the extent that Funded Interest is available to pay such interest; (c) payments on any Senior Lien Obligations as a result of transfers pursuant to Section 4.05(e) hereof shall be excluded from the determination of the Debt Service Requirement; (d) principal of Indebtedness shall be excluded from the determination of the Debt Service Requirement to the extent that amounts are on deposit in an irrevocable escrow and such amounts (including, where appropriate, the earnings or other increment to accrue thereon) are required to be applied to pay such principal and such amounts so required to be applied are sufficient to pay such principal; (e) principal of Indebtedness due in its final year shall be excluded from the determination of Debt Service Requirement to the extent moneys were initially deposited and are on deposit as of the date of calculation in a debt service reserve fund which required that moneys on deposit in the debt service reserve fund be used to pay a principal payment in the final year of such Indebtedness; (f) any

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annual fees payable in respect of a Credit Facility (other than annual fees to be paid from proceeds of a bond issue escrowed for such purpose) shall be included in the determination of the Debt Service Requirement; (g) so long as any Senior Lien Obligations are Outstanding, all payments due on Junior Lien Obligations shall be excluded from the determination of the Debt Service Requirement; and (h) all payments due on any Affiliate Subordinated Indebtedness shall be excluded from the determination of the Debt Service Requirement.

"Default" means any event that is, or after notice or passage of time or both would be, an Event of Default.

"Defeasance Obligations" means any investment securities authorized under applicable state law and the Obligated Group Documents to be deposited in escrow for the defeasance of any Obligations.

"Deposit Account Control Agreement" means each Account Control Agreement, dated [_____], 2025 among the Master Trustee, the applicable Member of the Obligated Group and a Depository Bank.

"Depository Bank" shall the meaning set forth in Section 3.06(a).

"Designated Corporate Trust Office" means for the Master Trustee originally appointed hereunder, 7155 Lake Drive, Suite 120, West Des Moines, Iowa 50266.

"Dissemination Agent" means the entity appointed as dissemination agent under the Continuing Disclosure Agreement.

"EMMA" means and refers to the Electronic Municipal Market Access system of the Municipal Rulemaking Securities Board, or any successor which comports with the applicable rules of the United States Securities and Exchange Commission.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means any trade or business (whether or not incorporated) that, together with the Obligated Group, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

"ERISA Event" means (a) any "reportable event", as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30-day notice period is waived); (b) the failure with respect to any Plan to satisfy the "minimum funding standard" (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived; (c) the filing pursuant to Section 412(c) of the Code or Section 303(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by the Obligated Group or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by the Obligated Group or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by the Obligated Group or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial

withdrawal of the Obligated Group or any of its ERISA Affiliates from any Plan or Multiemployer Plan; or (g) the receipt by the Obligated Group or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Obligated Group or any ERISA Affiliate of any notice, concerning the imposition upon the Obligated Group or any of its ERISA Affiliates of withdrawal liability under Section 4201 of ERISA or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA.

"Event of Default" means any of the events specified in Section 6.01 hereof.

"Excess Sale Proceeds" means proceeds derived from the sale of a Property pursuant to Section 3.05 hereof that exceed the amount necessary to (a) fully defease or redeem the Obligations or such portions thereof related to such Property, and (b) pay any professional services fees (including but not limited to legal fees, broker fees, and servicing fees) incurred by the Obligated Group Representative in connection with the sale of such Property.

"Fair Market Value," when used in connection with Property, means the fair market value of such Property as determined by either:

(1) an appraisal of the portion of such Property which is real property made within two years of the date of determination by a "Member of the Appraisal Institute" and by an appraisal of the portion of such Property which is not real property made within two years of the date of determination by any expert qualified in relation to the subject matter, provided that any such appraisal shall be performed by a Person which (a) is in fact independent, (b) does not have any direct financial interest or any material indirect financial interest in the Obligated Group or any Affiliate thereof, and (c) is not connected with the Obligated Group or any Affiliate thereof as an officer, employee, promoter, trustee, partner, director or Person performing similar functions, adjusted for the period, not in excess of two years, from the date of the last such appraisal for changes in the implicit price deflator for the gross national product as reported by the United States Department of Commerce or its successor agency, or if such index is no longer published, such other index certified to be comparable and appropriate in an Officer's Certificate delivered to the Master Trustee;

or

(2) a bona fide offer for the purchase of such Property made on an arm's-length basis within six months of the date of determination, as established by an Officer's Certificate from the Asset Manager.

"Fiscal Quarter" means that period adopted by the Obligated Group Representative as the quarterly accounting period for the Obligated Group. The Fiscal Quarters are initially the three-month periods commencing on January 1, April 1, July 1, and October 1 in each year.

"Fiscal Year" means that period adopted by the Obligated Group Representative as the annual accounting period for the Obligated Group in accordance with Generally Accepted Accounting Principles. The Fiscal Year is initially the twelve-month period commencing on January 1 and ending on December 31 in each year.

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"Fitch" means Fitch Ratings, a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the Obligated Group Representative.

"Funded Indebtedness" means, with respect to any Person, (a) all Indebtedness of such Person for money borrowed, credit extended, incurred or assumed which is not Short Term; (b) all Short Term Indebtedness incurred by the Person which is of the type described in Section 5.01(c) hereof; (c) the Person's Guaranties of Indebtedness which are not Short Term (but including Guaranties of Short Term Indebtedness described in Section 5.01(c) hereof); and (d) Capitalized Rentals under Capitalized Leases entered into by the Person; provided, however, that Indebtedness that could be described by more than one of the foregoing categories shall not in any case be considered more than once for the purpose of any calculation made pursuant to this Master Trust Indenture.

"Funded Interest" means amounts irrevocably deposited in an escrow or other trust account (other than a debt service reserve fund with respect to any Related Bonds) to pay interest on Funded Indebtedness or Related Bonds and interest earned on such amounts to the extent such interest earned is required to be applied to pay interest on Funded Indebtedness or Related Bonds.

"Generally Accepted Accounting Principles" means those principles of accounting set forth in pronouncements of the Financial Accounting Standards Board and its predecessors or pronouncements of the American Institute of Certified Public Accountants or those principles of accounting that have other substantial authoritative support and are applicable in the circumstances as of the date of application, as such principles are supplemented and amended.

"Governing Body" means, when used with respect to the Obligated Group or the Obligated Group Representative, as applicable, its, or if such entity is a single member limited liability company, its sole member's, board of directors, board of trustees, or other board or group of individuals in which all of the powers of such Person are vested except for those powers reserved to the corporate membership thereof by the articles of incorporation, bylaws or other organizational documents of such Person.

"Government Obligations" means direct obligations of the United States of America or obligations which as to full and timely payment of principal and interest constitute full faith and credit obligations of the United States of America (excluding therefrom unit investment trusts and money market funds comprised of such securities).

"Governmental Issuer" means any municipal corporation, political subdivision, state, territory or possession of the United States, or any constituted authority or agency or instrumentality of any of the foregoing empowered to issue obligations on behalf thereof, which obligations constitute Related Bonds.

"Gross Revenues" means all receipts, revenues, rentals, income, insurance proceeds (including, without limitation, all Medicaid, Medicare and other third party payments, but not including insurance proceeds not related to operating services at the Properties), condemnation awards, entrance fees, and other moneys received by or on behalf of any Member of the Obligated Group, including (without limitation) revenues derived from (a) the ownership, operation or leasing of any portion of the Properties (including, without limitation, fees payable by or on behalf of residents of the Properties) and all rights to receive the same (other than the right to receive Medicaid and Medicare payments), whether in the form of accounts, general intangibles or other rights, and the proceeds of such accounts, general intangibles and other rights, whether now existing or hereafter coming into existence or whether now owned or held or hereafter acquired, (b) proceeds derived from (i) accounts receivable, (ii) securities and other investments, (iii) inventory and other tangible and intangible property, and (iv) contract rights and other rights and assets now or hereafter owned by the Obligated Group; (c) rentals received from the lease of space; (d) investment earnings on and other income from amounts held in the Revenue Fund and the Operating Account; (e) proceeds of any borrowing in accordance with Section 5.01(h) hereof; and (f) investment earnings on and other income from amounts held in any debt service reserve fund established under a Related Bond Indenture; provided, however, that Gross Revenues shall not include (1) income derived from Defeasance Obligations that are irrevocably deposited in escrow to pay the principal of or interest on any defeased Obligations; (2) any gains or losses resulting from the sale, exchange or other disposition of property not in the ordinary course of business, or the reappraisal, reevaluation or write-up of assets, or any other extraordinary gains or losses; (3) proceeds of any borrowing (other than a borrowing pursuant to Section 5.01(h) hereof); (4) income derived from investment earnings on amounts held in the Rebate Fund under a Related Bond Indenture; (5) Excess Sale Proceeds; and (6) gifts, grants, bequests, donations and contributions to a Member of the Obligated Group heretofore or hereafter made, and the income and gains derived therefrom, which are specifically restricted by the donor or grantor to a particular purpose which is inconsistent with their use of payments required under this Master Trust Indenture; provided, further, for the avoidance of doubt, Gross Revenues shall not include the revenues of any subsidiaries of the Obligated Group Representative which are not Members of the Obligated Group.

"Guaranty" means all obligations of a Person guaranteeing, or in effect guaranteeing, any Indebtedness, dividend or other obligation of any Primary Obligor in any manner, whether directly or indirectly, including but not limited to obligations incurred through an agreement, contingent or otherwise, by such Person: (a) to purchase such Indebtedness or obligation or any Property constituting security therefor; (b) to advance or supply funds: (i) for the purchase or payment of such Indebtedness or obligation, or (ii) to maintain working capital or other balance sheet condition; (c) to purchase securities or other Property or services primarily for the purpose of assuring the owner of such Indebtedness or obligation of the ability of the Primary Obligor to make payment of the Indebtedness or obligation; or (d) otherwise to assure the owner of such Indebtedness or obligation against loss in respect thereof.

"Holder" means the registered owner of any Obligation in registered form or the bearer of any Obligation in coupon form that is not registered or is registered to bearer.

"Income Available for Debt Service" means Gross Revenues less Operating Expenses for the applicable period; provided, that no determination thereof shall take into account:

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(a) any revenue or expense of the Obligated Group or any gain or loss resulting from either the early extinguishment or refinancing of Indebtedness or the sale, exchange or other disposition of capital assets not made in the ordinary course of business;

(b) the net proceeds of insurance (other than business interruption insurance);

(c) adjustments to the value of assets or liabilities resulting from changes in Generally Accepted Accounting Principles;

(d) nonrecurring items which do not involve the receipt, expenditure or transfer of assets; or

(e) proceeds of Indebtedness, other than Indebtedness incurred pursuant to Section 5.01(h).

"Indebtedness" means, for any Person, (a) all Guaranties by such Person, (b) all liabilities (exclusive of reserves such as those established for deferred taxes or litigation) recorded or required to be recorded as such on the audited financial statements of such Person in accordance with generally accepted accounting principles, and (c) all obligations for the payment of money incurred or assumed by such Person (i) due and payable in all events, or (ii) if incurred or assumed primarily to assure the repayment of money borrowed or credit extended, due and payable upon the occurrence of a condition precedent or upon the performance of work, possession of Property as lessee, rendering of services by others or otherwise; provided that Indebtedness shall not include Indebtedness of one Member to another Member, any Guaranty by any Member of Indebtedness of any other Member, the joint and several liability of any Member on Indebtedness issued by another Member, Interest Rate Agreements (but any amounts then due but unpaid thereunder shall constitute Indebtedness), any Subordinated Indebtedness owed to an Affiliate of such Person evidencing an obligation to repay funds advanced or to pay fees owed to such Affiliate or any obligation to repay moneys deposited by residents or others with a Member as security or any rights of residents of senior living facilities or similar facilities to endowment or similar funds deposited by or on behalf of such residents.

"Independent Consultant" means a professional consulting, accounting, investment banking or commercial banking firm or individual selected by the Obligated Group Representative having the skill and experience necessary to render the particular report required and having a favorable reputation for such skill and experience, which firm or individual does not control any Member of the Obligated Group or any Affiliate thereof or the Asset Manager and is not controlled by or under common control with any Member of the Obligated Group or an Affiliate thereof or the Asset Manager.

"Insurance and Condemnation Proceeds Fund" means the fund by that name established pursuant to Section 3.04(d) hereof.

"Insurance Consultant" means a person or firm who in the case of an individual is not an employee or officer of any Member and which, in the case of a firm, does not control any Member of the Obligated Group or any Affiliate thereof and is not controlled by or under common control with any Member of the Obligated Group or an Affiliate thereof, appointed by the Obligated Group Representative with the advice and consent of the Asset Manager, qualified to survey risks and to

recommend insurance coverage for senior living facilities and services of the type involved, and having a favorable reputation for skill and experience in such surveys and such recommendations, and which may include a broker or agent with whom any Member or the Asset Manager transacts business.

"Interest Payment Date" means each January 1 and July 1, or such other dates as set forth in a Related Supplement; provided, the Principal Payment Date is the same for all Obligations.

"Interest Rate Agreement" means an interest rate exchange, hedge or similar agreement, expressly identified in an Officer's Certificate of the Obligated Group Representative delivered to the Master Trustee as being entered into in order to hedge the interest payable on all or a portion of any Indebtedness, which agreement may include, without limitation, an interest rate swap, a forward or futures contract or an option (e.g., a call, put, cap, floor or collar) and which agreement does not constitute an obligation to repay money borrowed, credit extended or the equivalent thereof. An Interest Rate Agreement shall not constitute Indebtedness hereunder unless and to the extent amounts due thereunder are unpaid.

"Investment Grade Rating" means a credit rating of at least "Baa3" assigned by Moody's, "BBB-" assigned by S&P, or "BBB-" assigned by Fitch, or the equivalent.

"Irrevocable Deposit" means the irrevocable deposit in trust with any trustee or escrow agent authorized to act in such capacity of cash in an amount or Government Obligations the principal of and interest on which will be in an amount sufficient to pay all or a portion of the principal of and/or premium, if any, and interest on, as the same shall become due, any Indebtedness which would otherwise be considered Outstanding. The trustee of such deposit may be the Master Trustee or any other trustee authorized to act in such capacity.

"Junior Lien Obligations" means any Obligations so designated pursuant to a Related Supplement.

"Junior Lien Obligations Fund" means the fund by that name established pursuant to Section 4.13 hereof.

"Lien" means any mortgage, deed of trust or pledge of, security interest in or encumbrance of any Property which secures any Indebtedness or any other obligation of an Obligated Group Member or which secures any obligation of any Person, other than an Obligated Group member, and excluding Liens applicable to Property in which the applicable Obligated Group has only a leasehold interest unless the liens secures Indebtedness.

"Liquidity Facility" means a written commitment to provide money to purchase or retire any Indebtedness if (a) on the date of delivery of such Liquidity Facility, the unsecured Funded Indebtedness or claims-paying ability of the provider of such Liquidity Facility or its parent holding company or other controlling entity is rated at least "A" by a least one of the Rating Agencies, and (b) as of any particular date of determination, no amount realized under such Liquidity Facility for the payment of the principal or the purchase or redemption price of such Indebtedness (exclusive of amounts realized for the payment of accrued interest on such Indebtedness) shall be required to be repaid by the obligor on such Funded Indebtedness for a period of at least one year.

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"Liquidity Requirement" shall have the meaning set forth in Section 3.07(c).

"Management Agreements" means the management agreements by and between a Manager and a Member of the Obligated Group providing for management services and related services for any Property.

"Manager" means any Person that enters into a Management Agreement with a Member of the Obligated Group.

"Master Trust Indenture" means this instrument as originally executed and as it may from time to time be supplemented, modified or amended in accordance with the terms hereof.

"Master Trust Indenture Effective Date" means [_____], 2025.

"Master Trustee" means UMB Bank, N.A., a national banking association organized and existing under and by virtue of the laws of the United States of America and, subject to the limitations contained in Section 7.07 hereof, any other corporation or association which may be co-trustee with UMB Bank, N.A. and any successor or successors to said trustee or co-trustee in the trusts created hereunder.

"Maximum Annual Debt Service Requirement" means the largest total Debt Service Requirement for the current or any succeeding Fiscal Year.

"Member of the Obligated Group" or "Member" means Alpha Lifestyle Partners, Inc., a Delaware nonstock corporation, Alpha Lifestyle Partners Florida, Inc., a Florida not-for-profit corporation, ALP Covington, LLC, a Delaware limited liability company, ALP Naples, LLC, a Delaware limited liability company, ALP Venice, LLC, a Delaware limited liability company, and any other Person who has satisfied the requirements set forth in this Master Trust Indenture for becoming a Member of the Obligated Group and its successors until any such Person or a successor or transferee Person satisfies the requirements set forth in this Master Trust Indenture for ceasing to be a Member of the Obligated Group.

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the Obligated Group Representative.

"Mortgaged Property" means any Property subject to a Mortgage.

"Mortgages" or "Mortgage" means any mortgage, including leasehold deed of trust, deed of trust, security agreement, assignment of rents and leases, and/or financing statement encumbering any Property for the benefit of Holders executed and delivered in accordance with Sections 3.03 or 3.05 hereof.

"Multiemployer Plan" means a Plan maintained pursuant to a collective bargaining agreement or any other arrangement to which the Obligated Group or any ERISA Affiliate is, or

in the immediately preceding six years was, a party to which more than one employer is obligated to make contributions.

"Net Rentals" means all fixed rents (including as such all payments which the lessee is obligated to make to the lessor on termination of the lease or surrender of the leased Property other than upon termination of the lease for a default thereunder) payable under a lease or sublease of real or personal Property excluding any amounts required to be paid by the lessee (whether or not designated as rents or additional rents) on account of maintenance, repairs, insurance, taxes and similar charges. Net Rentals for any future period under any so called "percentage lease" shall be computed on the basis of the amount reasonably estimated to be payable thereunder for such period, but in any event not less than the amount paid or payable thereunder during the immediately preceding period of the same duration as such future period; provided that the amount estimated to be payable under any such percentage lease shall in all cases recognize any change in the applicable percentage called for by the terms of such lease.

"NFP Management Agreement" means the Not-For-Profit Management Agreement by and between the NFP Manager and each Member of the Obligated Group (other than the Obligated Group Representative) providing for certain services for each Member and its Property.

"NFP Manager" means Alpha Lifestyle Partners, Inc., a Delaware nonprofit corporation, and its successors and assigns.

"Non-Recourse Indebtedness" means any Indebtedness the liability for which is effectively limited to Property, Plant and Equipment (other than the Property) and the income therefrom, with no recourse, directly or indirectly, to any other Property of any Member.

"Obligated Group" means, collectively, each Member of the Obligated Group.

"Obligated Group Documents" means this Master Trust Indenture, as supplemented and amended from time to time (including by a Related Supplement), each Obligation, each Deposit Account Control Agreement, each Continuing Disclosure Agreement, each Mortgage, each Collateral Assignment of Property Management Agreement, the Collateral Assignment of Licenses, Contracts and Agreements, or other related security instrument securing the Obligated Group's obligations under this Master Trust Indenture, the Asset Management Agreement, the NFP Management Agreement, the Management Agreements, each Related Loan Agreement, each Related Bond Indenture and any tax certificate executed in connection with a series of Related Bonds, or other contract or agreement to which the Obligated Group Representative is a party.

"Obligated Group Representative" means Alpha Lifestyle Partners, Inc., a Delaware nonprofit corporation, and its successors and assigns, designated and authorized to act on behalf of the Obligated Group as provided for in this Master Trust Indenture.

"Obligation" means any obligation of the Obligated Group issued hereunder, which shall be in the form set forth in a Related Supplement, including, but not limited to, bonds, notes, obligations, debentures, reimbursement agreements, loan agreements or leases. Reference to a Series of Obligations or to Obligations of a Series means Obligations or Series of Obligations issued pursuant to a single Related Supplement, unless otherwise specified in the Related Supplement.

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"Officer's Certificate" means a Certificate signed by the Authorized Representative of the Obligated Group Representative or the Asset Manager, as applicable.

"Operating Account" means each deposit account maintained by the Members of the Obligated Group for the purpose of paying Operating Expenses for a particular Project, which such deposit accounts shall each be subject to a Deposit Account Control Agreement.

"Operating Expenses" means all current expenses of the Obligated Group, paid or accrued, as determined in accordance with Generally Accepted Accounting Principles, including without limitation (i) salaries and administrative expenses, (ii) the cost of supplies and materials, (iii) insurance premiums, (iv) professional services, including property management fees and Senior Management Fees, but excluding any Subordinated Management Fees, and (v) any rental payments made for operating leases; provided however, there shall be excluded from Operating Expenses (a) any non-cash expenses resulting from depreciation, amortization or the write down of existing assets and (b) expenses paid from grants or donations from state, federal, local sources, or from any Person, provided that such grants or donations were not included as part of Gross Revenue.

For purposes of calculating Days Cash on Hand, "Operating Expenses" includes (a) (i) interest payments required to be made on Senior Lien Obligations during the applicable period and (ii) Subordinated Management Fees both accrued and paid during the applicable period and excludes (b) (i) principal payments on Indebtedness, (ii) interest payments required to be made on Junior Lien Obligations during the applicable period and (iii) any Operating Expenses funded from monies held in the Operating Reserve Fund, the Repair and Replacement Fund, and the Surplus Fund.

For purpose of calculating Income Available for Debt Service, "Operating Expenses" does not include (a) interest payments made on Indebtedness during the applicable period or (b) deposits to or expenses paid from any Rebate Fund established under a Related Bond Indenture, or any operational reserves, including the Operating Reserve Fund, the Repair and Replacement Fund, the Subordinated Management Fees Fund and the Surplus Fund.

"Operating Reserve Fund" means the fund by that name established pursuant to Section 4.06 hereof.

"Operating Reserve Required Balance" means the operating reserve amount, if any, necessary for compliance with the Liquidity Requirement, or such larger amount as may be requested by the Asset Manager, in order to permit the Borrower to meet its budgetary and covenant calculations, which amount shall be certified by the Obligated Group Representative to the Master Trustee and shall be set forth in the Annual Budget.

"Operations and Maintenance Fund" means the fund by that name established pursuant to Section 3.06 hereof.

"Opinion of Bond Counsel" means a written opinion signed by Bond Counsel.

"Opinion of Counsel" means a written opinion signed by an attorney or firm of attorneys who may be counsel for the Obligated Group or the Obligated Group Representative, as applicable.

"Outstanding," when used with reference to Indebtedness or Obligations, means, as of any date of determination, all Indebtedness or Obligations theretofore issued or incurred and not paid and discharged other than (a) Obligations theretofore cancelled by the Master Trustee or delivered to the Master Trustee for cancellation, (b) Obligations in lieu of which other Obligations have been authenticated and delivered or have been paid pursuant to the provisions of a Related Supplement regarding mutilated, destroyed, lost or stolen Obligations unless proof satisfactory to the Master Trustee has been received that any such Obligation is held by a protected purchaser, (c) any Obligation held by the Obligated Group, and (d) Indebtedness deemed paid and no longer outstanding pursuant to the terms thereof; provided, however, that if two or more obligations which constitute Indebtedness represent the same underlying obligation (as, for example, when an Obligation secures an issue of Related Bonds and another Obligation secures repayment obligations to a bank under a letter of credit which secures such Related Bonds) for purposes of the various financial covenants contained herein, but only for such purposes, only one of such Obligations shall be deemed Outstanding and the Obligation so deemed to be Outstanding shall be that Obligation which secures the greater repayment obligation to be included in the calculation of such covenants.

"PBGC" means the Pension Benefit Guaranty Corporation, or any successor thereto.

"Permitted Investments" shall mean, unless otherwise provided in a Related Supplement, any of the following:

(a) negotiable instruments or securities represented by instruments in bearer or registered or in book-entry form which evidence (i) obligations fully guaranteed by the United States of America; (ii) obligations of any agency of the United States of America; (iii) time deposits in, or bankers acceptances issued by, any depositary institution or trust company incorporated under the laws of the United States of America or any state thereof and subject to supervision and examination by Federal or state banking or depositary institution authorities; provided, however, that at the time of investment or contractual commitment to invest therein, the certificates of deposit or short-term deposits, if any, or long-term unsecured debt obligations (other than such obligation whose rating is based on collateral or on the credit of a Person other than such institution or trust company) of such depositary institution or trust company shall have a credit rating from Moody's or S&P of at least "P-1" and "A-1," respectively, in the case of the certificates of deposit or short-term deposits, or a rating not lower than one of the two highest investment categories granted by Moody's or by S&P in the case of long term unsecured debt obligations; (iv) certificates of deposit having, at the time of investment or contractual commitment to invest therein, a rating from Moody's or S&P of at least "P-1" and "A-1," respectively; or (v) investments in money market funds (including those owned or managed by the Master Trustee) rated in the highest investment category or otherwise approved in writing by Moody's or S&P;

(b) demand deposits and cash escrows in any depositary institution or trust company (including those owned or managed by the Master Trustee) referred to in (a)(iii) above;

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(c) commercial paper (having original or remaining maturities of no more than 30 days) having, at the time of investment or contractual commitment to invest therein, a credit rating from Moody's or S&P of at least "P-1" and "A-1," respectively;

(d) repurchase agreements involving any of the Permitted Investments described in clauses (a)(i) and (a)(iv) of this definition so long as the other party to the repurchase agreement has at the time of investment therein, a rating from Moody's or S&P of at least "P-1" and "A-1," respectively;

(e) investments in the form of guaranteed investment contracts, funding agreements with primary dealers, or repurchase agreements shall contain a provision for the unwinding of such investment within three (3) business days if the long term or short term debt rating of the bank, primary dealer or other financial institution or its guarantor, as the case may be, falls below "A-" by S&P or Fitch or below "Aa" by Moody's, or such entity defaults on the payment of any of its obligations to or on behalf of the Obligated Group, unless such investment is collateralized with obligations of the U.S. Government in an amount equal to at least 102% of the face amount of such investments or such rating is reinstated on or prior to such unwind date;

(f) U.S. dollar denominated deposit accounts that are fully and continuously insured by the Federal Deposit Insurance Corporation; and

(g) any other investment permitted by such Related Supplement and which satisfies any Rating Agency conditions, if applicable.

"Permitted Liens" shall mean and include:

(a) Liens arising out of judgments or awards fully covered by insurance or with respect to which an appeal or proceeding for review is being prosecuted and a bond or cash reserves have been provided;

(b) Any Lien (i) described in the final title policy which summarized certain liens existing on the Master Trust Indenture Effective Date or (ii) described in the final title policy which summarizes certain liens existing as of the date of the acquisition of any Properties acquired after the Master Trust Indenture Effective Date; provided that no such Lien (or the amount of Indebtedness secured thereby) may be increased, extended, renewed or modified to apply to any Property of the Obligated Group not subject to such Lien on such date, unless (1) such Lien as so extended, renewed or modified otherwise qualifies as a Permitted Lien or (2) the maturity date of the Indebtedness secured by such Lien is not extended and either the total principal and interest requirements or the maximum annual principal and interest requirements (calculated in a manner consistent with the calculation of the Debt Service Requirement) on such Indebtedness is not increased as a result of the refinancing of such Indebtedness;

(c) Any Lien in favor of the Master Trustee, the enforcement of which is governed by this Master Trust Indenture;

(d) Liens, deposits or pledges incurred or created in accordance with the Annual Budget and in the ordinary course of business in connection with or to secure the performance of or under leases of real estate, bids or contracts (other than a contract for the payment of money), deposits by the Obligated Group to secure public or statutory obligations, or to participate in local, state or federal programs desirable for the conduct of the business of the Obligated Group, or to secure, or in lieu of, surety, stay or appeal bonds;

(e) Liens for taxes, assessments or governmental charges which are not yet due or which are being contested and the amount of such contested taxes, assessments or governmental charges have been reserved by the applicable Member during the period of such contest;

(f) Any Liens incidental to the conduct of the Obligated Group's business or the Property (other than borrowed money) that would not reasonably be expected to have a material adverse effect on the interests of the Holder of Obligations;

(g) Mechanics', materialmen's, workers', repairmen's, employees', warehousemen's, carriers' or other like Liens arising in the ordinary course of business securing obligations incurred in connection with the Property which are not yet due, or which are fully bonded and which are being contested;

(h) Such minor defects, irregularities, encumbrances, easements, rights of way and clouds on title existing on the date such Property is initially acquired by the Obligated Group, or as normally exist with respect to properties similar in character and location to the affected Property and as do not materially impair the use of such Property for the purpose for which it was acquired as certified in writing by an Authorized Representative of the Obligated Group or to which the Controlling Party consents (which consent shall be deemed to be given if the Obligated Group notifies the holders of the Related Bonds that it intends to take such action and the Controlling Party does not object within thirty (30) days of such notice);

(i) any Lien on Property acquired by a Member which Lien secures Indebtedness issued, incurred or assumed by any Member, in connection with and to effect such acquisition or existing Indebtedness assumed as part of such acquisition which will remain outstanding after such acquisition which Lien encumbers Property other than the Mortgaged Property, if in any such case the aggregate principal amount of such Indebtedness does not exceed 100% of the Fair Market Value of such Property subject to such Lien as determined in good faith by the Governing Body of the Member;

(j) any Lien existing for not more than fourteen (14) days after the Obligated Group Representative shall have received notice thereof; and

(k) Liens securing Indebtedness permitted to be incurred pursuant to Section 5.01 hereof.

"Person" means an individual, corporation, limited liability company, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

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"Plan" means an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code or Section 302 of ERISA as to which the Obligated Group or any ERISA Affiliate may have any liability.

"Pledged Assets" means all Residency Agreements (including, without limitation, all rights to payment thereunder), all Gross Revenues, all Mortgaged Property, each fund or account (other than the Administrative Costs Fund and any other fund or account created and excluded pursuant to a Related Supplement executed after the date hereof) established under this Master Trust Indenture, all financial assets (as defined in Article 8 of the Florida Uniform Commercial Code), instruments, money and other property credited to or on deposit in any such fund or account, and the proceeds thereof.

"Primary Obligor" means the Person who is primarily obligated on an obligation which is guaranteed by another Person.

"Principal Amount" means, with respect to an Obligation, the principal amount of such Obligation.

"Principal Payment Date" means each January 1, or such other date as set forth in a Related Supplement; provided, the Principal Payment Date is the same for all Obligations.

"Project Documents" means the Management Agreements, the Asset Management Agreements, and any other agreement or contract entered into by the Obligated Group with respect to the use, occupancy, maintenance, construction, renovation or operation of a Property but excluding Residency Agreements and agreements relating to the Property with an annual payment of less than $50,000.

"Projected Debt Service Coverage Ratio" means, for any future period, the projected Debt Service Coverage Ratio; provided, however, that for purposes of the issuance of Indebtedness, the Obligated Group Representative, based on projections of an Independent Consultant and confirmed by the Asset Manager through a Certificate to the Trustee, may include all expected Gross Revenues from the issuance of such Indebtedness including at the time of issuance and any and all moneys held in the funds or accounts of this Master Trust Indenture, except moneys held in any account excluded from the pledge of this Master Trust Indenture pursuant to a Related Supplement, in such calculation.

"Projected Rate" means the projected yield at par of an obligation as set forth in the report of an Independent Consultant. Such report shall state that in determining the Projected Rate such Independent Consultant reviewed the yield evaluations at par of not less than three obligations (or such lesser number as the Independent Consultant shall deem appropriate, but in no event less than one) selected by such Independent Consultant, the interest on which is entitled to the exemption from federal income tax afforded by Section 103(a) of the Code or any successor thereto (or, if it is not expected that it will be reasonably possible to issue such tax-exempt obligations, or if the interest on the Indebtedness for which the Projected Rate is being calculated is not entitled to such exemption, then obligations the interest on which is subject to federal income taxation) which obligations such Independent Consultant states in its report are reasonable comparators for utilizing in developing such Projected Rate and which obligations: (a) were outstanding on a date

selected by the Independent Consultant which date so selected occurred during the 90 day period preceding the date of the calculation utilizing the Projected Rate in question, (b) to the extent practicable, are obligations of Persons engaged in operations similar to those of the Obligated Group and having a credit rating similar to that of the Obligated Group, (c) are not entitled to the benefits of any credit enhancement (including without limitation any letter or line of credit or insurance policy) if the obligation for which the Projected Rate is being determined is not benefited by any credit enhancement, and (d) to the extent practicable, have a remaining term and amortization schedule substantially the same as the obligation with respect to which such Projected Rate is being developed.

"Property" means the land, building and all fixtures and equipment comprising senior living and healthcare facilities owned by the Members of the Obligated Group, including any independent living units, assisted living units, memory care units, all necessary and useful furnishings, equipment and machinery, and such interests in land as may be necessary or suitable for the foregoing, including roads and rights of access, utilities and other necessary site preparation facilities, and subject to any Mortgage or other Permitted Lien; provided, however, any health center that includes skilled nursing beds shall not be permitted to be a Property.

"Property, Plant and Equipment" means all Property of the Obligated Group that is considered property, plant and equipment under Generally Accepted Accounting Principles (other than the Obligated Group's interests in the real property, fixtures, equipment or other property identified and excluded pursuant to a Related Supplement executed after the date hereof).

"Put Date" means (a) any date on which an owner of Put Indebtedness may elect to have such Put Indebtedness paid, purchased or redeemed by or on behalf of the underlying obligor prior to its Stated Maturity date, or (b) any date on which Put Indebtedness is required to be paid, purchased or redeemed from the owner by or on behalf of the underlying obligor (other than at the option of the owner) prior to its Stated Maturity date, other than pursuant to any mandatory sinking fund or other similar fund or other than by reason of acceleration upon the occurrence of an event of default.

"Put Indebtedness" means Indebtedness which is (a) payable or required to be purchased or redeemed by or on behalf of the underlying obligor, at the option of the owner thereof, prior to its Stated Maturity date, or (b) payable or required to be purchased or redeemed from the owner by or on behalf of the underlying obligor (other than at the option of the owner) prior to its Stated Maturity date, other than pursuant to any mandatory sinking fund or other similar fund or other than by reason of acceleration upon the occurrence of an event of default.

"Rate Covenant" has the meaning set forth in Section 3.07(b).

"Rating Agency" means, as of any particular date, any nationally recognized rating agency including Fitch, Moody's, or S&P, then rating Related Bonds at the request of the Obligated Group Representative.

"Rating Confirmation" shall mean, with respect to a proposed action, a written confirmation from each Rating Agency then rating this Master Trust Indenture or any Related Bonds of the Obligated Group to the effect that such action will not, in and of itself, cause such

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Rating Agency to lower, suspend or withdraw the rating then assigned by such Rating Agency to this Master Trust Indenture or any Related Bonds of the Obligated Group.

"Regularly Scheduled Payments" means payments scheduled for regular payment on specified dates or at specific intervals pursuant to an Interest Rate Agreement.

"Related Bond Indenture" means any indenture, trust agreement, bond resolution or other comparable instrument pursuant to which a series of Related Bonds are issued.

"Related Bond Issuer" means a Governmental Issuer of any Related Bonds and any financial institution or other Person serving as lender of proceeds of any Related Bonds pursuant to a Related Bond Indenture or Related Loan Agreement.

"Related Bond Trustee" means the bond trustee and its successors in the trusts created under any Related Bond Indenture, and if there is no such bond trustee, means the Related Bond Issuer.

"Related Bonds" means the revenue bonds or other obligations issued by any Related Bond Issuer pursuant to a Related Bond Indenture or obligations incurred by the Obligated Group pursuant to a Related Loan Agreement, the proceeds of which are loaned or otherwise made available to the Obligated Group in consideration of the execution, authentication and delivery of an Obligation or Obligations to or for the order of such Related Bond Issuer.

"Related Junior Lien Bonds" means any Related Bonds designated under the applicable Related Bond Indenture as "Junior Lien Bonds", being payable on a basis subordinate to any Related Senior Lien Bonds pursuant to such Related Bond Indenture.

"Related Loan Agreement" means any loan agreement, financing agreement or other comparable instrument pursuant to which the Obligated Group incurs Indebtedness.

"Related Senior Lien Bonds" means any Related Bonds designated under the applicable Related Bond Indenture as "Senior Lien Bonds", being payable on a first priority basis pursuant to such Related Bond Indenture.

"Related Supplement" means an indenture supplemental to, and authorized and executed pursuant to the terms of, this Master Trust Indenture.

"Repair and Replacement Fund" means the fund by that name established pursuant to Section 4.07 hereof.

"Repair and Replacement Requirement" means an amount certified by the Asset Manager to the Master Trustee, which the Asset Manager shall calculate annually for each account of the Repair and Replacement Fund as equal to $300 per unit in the related Property (as set forth on Appendix F attached hereto) with a cumulative CPI adjustment every three years, which amount shall be set forth in the Annual Budget.

"Required Payments" means payments required to be made by the Obligated Group under this Master Trust Indenture, any Related Supplement or any Obligation, for (i) any payment of

principal or interest, whether regularly scheduled or due at maturity, by acceleration, upon proceeding for redemption or otherwise, and (ii) the purchase price of Related Bonds tendered or deemed tendered for purchase pursuant to the terms of a Related Bond Indenture.

"Residency Agreement" means each and every contract, including without limitation any "reservation agreement" or "residency agreement," as amended from time to time, between a Member of the Obligated Group and a resident of one of the Properties giving the resident certain rights of occupancy in such Property, including, without limitation, the independent living units, assisted living units, or specialty care (dementia) beds and providing for certain services to such resident.

"Responsible Officer" means, with respect to the Master Trustee, any person who at the time and from time to time may be designated, as a person responsible for administration of this Master Trust Indenture. The Master Trustee may designate in a certificate an alternate officer or alternates officers.

"Revenue Fund" means the fund by that name established pursuant to Section 4.03 hereof.

"S&P" means S&P Global Ratings, its successors and assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the Obligated Group Representative.

"Senior Lien Obligations" means any Obligations so designated pursuant to a Related Supplement.

"Senior Lien Obligations Fund" means the fund by that name established pursuant to Section 4.05 hereof.

"Senior Management Fees" means an amount equal to (I) the number of assisted living units and memory care beds available at each Facility subject to this Master Trust Indenture, multiplied by (II) Three Hundred and 00/100 Dollars ($300.00), prorated for any partial year and prorated for any additional assisted living units and memory care beds that are added to the Facilities subject to this Master Trust Agreement per year for non-profit expenses payable to the NFP Manager pursuant to the terms of the NFP Management Agreement.

"Short Term" when used in connection with Indebtedness, means having an original Maturity less than or equal to one year and not renewable at the option of the debtor for a term greater than one year beyond the date of original issuance.

"Stable Occupancy" means in connection with the incurrence of Additional Indebtedness for the acquisition, construction or renovation of a senior living facility, the meaning given such term in the Supplement relating to such Additional Indebtedness, based on the sustainable capacity for which such facility was designed as stated in the Independent Consultant's report issued at such time.

"Stated Maturity" when used with respect to any Put Indebtedness or any installment of interest thereon means any date specified in the instrument evidencing such Indebtedness or such

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installment of interest as a fixed date on which the principal of such Indebtedness or any installment thereof or the fixed date on which such installment of interest is due and payable.

"Subordinated Management Fees" means the remaining fees owed by the Obligated Group to the Asset Manager and the NFP Manager pursuant to the terms of the Asset Management Agreement and the NFP Management Agreement, respectively, payable on a basis subordinate to the Senior Obligations pursuant to this Master Trust Indenture.

"Subordinated Management Fees Fund" means the fund by that name established pursuant to Section 4.11 hereof.

"Subordinated Indebtedness" means any promissory note, guaranty, lease, contractual agreement to pay money or other obligation the terms of the documents providing for the issuance of which expressly provide that all payments on such indebtedness shall be subordinated to the timely payment of all Obligations, whether currently Outstanding or subsequently issued.

"Sufficiency Certificate" means, with respect to a proposed action requiring the delivery of the same to the Master Trustee, one of the following:

(a) Historical Pro Forma Test - a Certificate of an Authorized Representative of the Obligated Group Representative stating that, after giving effect to such action, the outstanding and proforma Indebtedness has a Debt Service Coverage looking backwards of at least 1.25x on the Senior Lien Obligations;

(b) Pro Forma Projection Test – an Independent Consultant's result stating that, after giving effect to such action and commencing the first full year of operations of additionally financed properties, the Projected Debt Service Coverage Ratio, will not be less than 1.25x:1.00x with respect to all Senior Lien Obligations; or

(c) the written consent of the Controlling Party; *provided*, *however*, for purposes of this clause (c) with respect to the incurrence of Additional Indebtedness pursuant to Section 5.01 hereof, (i) the incurrence of Additional Indebtedness in the form of Senior Lien Obligations shall require the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Senior Lien Obligations, and the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Junior Lien Obligations; and (ii) the incurrence of Additional Indebtedness in the form of Junior Lien Obligations shall require the written consent of the Holders of not less than a majority of the aggregate Principal Amount of the Junior Lien Obligations.

For purposes of any Sufficiency Certificate delivered pursuant to clause (a) or clause (b) above, (i) any deposit of Bond Proceeds into the Revenue Fund on a Closing Date shall be treated as Gross Revenues received by the Master Trustee on such Closing Date, and (ii) a Sufficiency Certificate shall not be deemed defective solely because such Sufficiency Certificate shows a deficiency in the Projected Debt Service Coverage Ratio for the period between the Closing Date and the beginning of the immediately succeeding Fiscal Year.

"Surplus Fund" means the fund by that name established pursuant to Section 4.14 hereof.

"Tax-Exempt Bonds" means any Related Bonds interest on which is excluded from gross income for federal income tax purposes under Section 103 of the Code.

"Testing Date" shall have the meaning set forth in Section 3.07(c).

"Title Company" means the title insurance company selected by the Obligated Group Representative and identified in one or more Related Bond Indentures.

"Transfer" means any sale, gift, donation or any other act or occurrence the result of which is to dispossess (including through leasing, as a lessor) any Person of any asset or interest therein, including specifically in all cases, but without limitation, the forgiveness of any debt; provided, however, that the payment of bills or other accounts in the ordinary course of business shall be excluded from this definition.

Section 1.02. Interpretation.

(a) Any reference herein to any officer of the Obligated Group shall include those succeeding to his or her functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing his or her functions.

(b) Unless the context otherwise indicates, words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. The singular shall include the plural and vice versa.

(c) All accounting terms not specifically defined herein shall be construed in accordance with Generally Accepted Accounting Principles consistently applied, except as otherwise stated herein. If any change in accounting principles from those used in the preparation of the financial statements of the Obligated Group results from the promulgation of rules, regulations, pronouncements and opinions by or required by the Financial Accounting Standards Board, American Institute of Certified Public Accountants, or other authoritative bodies that determine Generally Accepted Accounting Principles (or successors thereto or agencies with similar functions) and such change results in a change in the accounting terms used in this Master Trust Indenture, the accounting terms used herein shall be modified to reflect such change in accounting principles so that the criteria for evaluating the Obligated Group's financial condition shall be the same after such change as if such change had not been made. Any such modification shall be described in an Officer's Certificate filed with the Master Trustee, which shall contain a certification to the effect that (i) such modifications are occasioned by such a change in accounting principles and (ii) such modifications will not have a materially adverse effect on the Obligation Holders or result in materially different criteria for evaluating the Obligated Group's financial condition.

(d) In making any and all calculations hereunder, the parties shall make such adjustments as are necessary and appropriate to avoid duplication of amounts.

(e) Headings of Articles and Sections herein and the table of contents hereto are solely for convenience of reference, and do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

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Section 1.03. References to Master Trust Indenture. The terms "hereby," "hereof," "hereto," "herein," "hereunder," and any similar terms, used in this Master Trust Indenture refer to this Master Trust Indenture.

Section 1.04. Contents of Certificates and Opinions. Every Certificate or opinion provided for herein by the Obligated Group Representative with respect to compliance with any provision hereof shall include: (i) a statement that the Person making or giving such certificate or opinion has read such provision and the definitions herein relating thereto; (ii) a brief statement as to the nature and the scope of the examination or investigation upon which the certificate or opinion is based; (iii) a statement that, in the opinion of such Person, he or she has made, or caused to be made, such examination or investigation as is necessary to enable him or her to express an informed opinion with respect to the subject matter referred to in the instrument to which his or her signature is affixed; and (iv) a statement as to whether, in the opinion of such Person, such provision has been complied with.

Any such Certificate or opinion made or given by an officer of the Obligated Group Representative or the Master Trustee may be based, insofar as it relates to legal, accounting or senior housing management matters, upon a Certificate or opinion or representation of counsel, an Accountant or Independent Consultant unless such officer knows, or in the exercise of reasonable care should have known, that the Certificate, opinion or representation with respect to the matters upon which such Certificate or opinion may be based, as aforesaid, is manifestly erroneous. Any such Certificate, opinion or representation made or given by counsel, an Accountant, or an Independent Consultant, may be based, insofar as it relates to factual matters (with respect to which information is in the possession of the Obligated Group Representative), upon the Certificate or opinion of, or representation by an officer of the Obligated Group Representative unless such counsel, Accountant or Independent Consultant knows, or in the exercise or reasonable care should have known, that the Certificate, opinion of or representation by such officer, with respect to the factual matters upon which such Person's Certificate or opinion may be based, as aforesaid, is manifestly erroneous. The same officer of the Obligated Group Representative or the same counsel or Accountant or Independent Consultant, as the case may be, need not certify as to all the matters required to be certified under any provision hereof, but different officers, counsel, Accountants or Independent Consultants may certify as to different matters, respectively.

ARTICLE II

AUTHORIZATION, ISSUANCE AND FORM OF OBLIGATIONS

Section 2.01. Authorization of Obligations. The Obligated Group hereby authorizes to be issued from time to time Obligations or Series of Obligations, without limitation as to amount, except as provided herein or as may be limited by law, and subject to the terms, conditions and limitations established herein and in any Related Supplement.

Section 2.02. Authorization for Issuance of Obligations in Series. From time to time when authorized by this Master Trust Indenture and subject to the terms, conditions and limitations established in this Master Trust Indenture, the Obligated Group Representative may authorize the issuance of an Obligation or a Series of Obligations by entering into a Related Supplement on behalf of the Obligated Group. The Obligation or the Obligations of any such Series may be issued

and delivered to the Master Trustee for authentication upon compliance with the provisions hereof and of any Related Supplement.

Each Related Supplement authorizing the issuance of an Obligation or a Series of Obligations shall specify and establish the Principal Amount of such Obligation or Series of Obligations, the purposes for which such Obligation or Series of Obligations are being issued, the lien priority of the Obligation as a Senior Lien Obligation or Junior Lien Obligation, the form, title, designation, and the manner of numbering or denominations, if applicable, of such Obligations, the date or dates of maturity or other final expiration of the term of such Obligations, the date of issuance of such Obligations, and any other provisions deemed advisable or necessary by the Obligated Group Representative.

Section 2.03. Execution and Authentication of Obligations. (a) All Obligations shall be executed by the Authorized Representative as provided in the Related Supplement authorizing such Obligation. The signature of such officer may be mechanically or photographically reproduced on the Obligations. If any officer whose signature appears on any Obligation ceases to be such officer before delivery thereof, such signature shall remain valid and sufficient for all purposes as if such officer had remained in office until such delivery. Each Obligation shall be manually authenticated by the Master Trustee, without which authentication no Obligation shall be entitled to the benefits hereof.

(b) The form of Certificate of Authentication to be printed on each Obligation and manually executed by the Master Trustee shall be as follows:

[FORM OF MASTER TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

The undersigned Master Trustee hereby certifies that this Obligation No. ____ is one of the Obligations described in the within-mentioned Master Trust Indenture.

Dated: _____

UMB BANK, N.A.,
as Master Trustee

By: _____

Section 2.04. Conditions to the Issuance of Obligations. The issuance, authentication and delivery of any Obligation or Series of Obligations shall be subject to the following specific conditions:

(a) The Obligated Group Representative and the Master Trustee shall have entered into a Related Supplement providing for the terms and conditions of such Obligation and the repayment thereof, including the designation of such Obligation as a Senior Lien Obligation or Junior Lien Obligation.

(b) The Master Trustee shall have received an Officer's Certificate to the effect that the Obligated Group shall be in full compliance with all warranties, covenants and agreements set forth in this Master Trust Indenture and in any Related Supplement.

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(c) The Master Trustee shall have received an Officer's Certificate to the effect that neither an Event of Default nor any event which with the passage of time or the giving of notice or both would become an Event of Default has occurred and is then outstanding or would occur upon issuance of such Obligation or is continuing under this Master Trust Indenture or any Related Supplement.

(d) The Master Trustee shall have received an Officer's Certificate to the effect that all requirements and conditions precedent to the issuance of such Obligation set forth herein, including in Section 5.01 hereof, and in the Related Supplement shall have been complied with and satisfied.

(e) The Master Trustee shall have received an Opinion of Counsel to the effect that: (1) such Obligation and Related Supplement have been duly authorized, executed and delivered by the Obligated Group Representative and constitute valid and binding obligations of the Obligated Group, enforceable in accordance with their terms, (2) such Obligation is not subject to registration under the Securities Act of 1933, as, amended, and such Related Supplement is not subject to registration under the Trust Indenture Act of 1939, as amended (or that such registration, if required has occurred); and (3) that all requirements and conditions precedent to the issuance of such Obligation set forth herein, including in Section 5.01, and in the Related Supplement shall have been complied with and satisfied.

ARTICLE III

PARTICULAR COVENANTS OF THE OBLIGATED GROUP

Section 3.01. Payment of Required Payments. The Obligated Group covenants and agrees (a) to pay or cause to be paid promptly all Required Payments at the place, on the dates and in the manner provided herein, in any Related Supplement and in any Obligation, and (b) to faithfully observe and perform all of the conditions, covenants and requirements of this Master Trust Indenture, any Related Supplement and any Obligation. The Obligated Group acknowledges and agrees that the time of such payment and performance is of the essence of the obligations hereunder.

The obligation of the Obligated Group with respect to Required Payments shall not be abrogated, prejudiced or affected by:

(i) the granting of any extension, waiver or other concession given to the Obligated Group by the Master Trustee or any Holder or by any compromise, release, abandonment, variation, relinquishment or renewal of any of the rights of the Master Trustee or any Holder or anything done or omitted or neglected to be done by the Master Trustee or any Holder in exercise of the authority, power and discretion vested in them by this Master Trust Indenture, or by any other dealing or thing which, but for this provision, might operate to abrogate, prejudice or affect such obligation;

(ii) the liability of the Obligated Group under this Master Trust Indenture ceasing for any cause whatsoever; or

(iii) the Obligated Group becoming incompetent.

The obligation of the Obligated Group to make Required Payments is a continuing one and is to remain in effect until all Required Payments have been paid in full in accordance with Article IX hereof. All moneys from time to time received by the Obligated Group Representative or the Master Trustee to reduce liability on Obligations, whether from or on account of the Obligated Group or otherwise, shall be regarded as payments in gross without any right on the part of the Obligated Group to claim the benefit of any moneys so received until the whole of the amounts owing on Obligations has been paid or satisfied and so that in the event of the Obligated Group filing bankruptcy, the Obligated Group Representative or the Master Trustee shall be entitled to prove up the total indebtedness or other liability on Obligations Outstanding as to which the liability of the Obligated Group has become fixed.

Each such Obligation shall be a primary obligation and shall not be treated as ancillary to or collateral with any other obligation and shall be independent of any other security so that the covenants and agreements of the Obligated Group hereunder shall be enforceable without first having recourse to any such security or source of payment and without first taking any steps or proceedings against any other Person. The Obligated Group Representative and the Master Trustee are each empowered to enforce each covenant and agreement, as hereinbefore provided, and to enforce the making of Required Payments. The Obligated Group hereby authorizes the Obligated Group Representative and the Master Trustee to enforce or refrain from enforcing any covenant and agreement of the Obligated Group hereunder and to make any arrangement or compromise with the Obligated Group, as the Obligated Group Representative or the Master Trustee may deem appropriate, consistent with this Master Trust Indenture and any Related Supplement. The Obligated Group hereby waives in favor of the Obligated Group Representative and the Master Trustee all rights against the Obligated Group Representative and the Master Trustee, insofar as is necessary to give effect to any of the provisions of this Section.

The Master Trustee shall have no recourse against the Obligated Group Representative or the Obligated Group with respect to the failure by the Obligated Group Representative or the Obligated Group to make any Required Payment under this Master Trust Indenture and any Related Supplement except recourse to the Pledged Assets, including but not limited to the Gross Revenues and the amounts held in the funds and accounts created hereunder and under the Related Bond Indenture (except the Rebate Fund, if any, created thereunder and any other fund specified in a Related Supplement), or to such other security, including any Mortgage, as may from time to time be given for the payment of obligations arising out of this Master Trust Indenture, any Related Supplement or any other agreement securing the obligations of the Obligated Group with respect to the Related Bonds.

Section 3.02. Covenants as to Maintenance of Property, Plant and Equipment, Etc. The Obligated Group hereby covenants and agrees to:

(a) maintain its Property, Plant and Equipment substantially in accordance with all valid and applicable governmental laws, ordinances, approvals and regulations including, without limitation, such zoning, environmental, sanitary, pollution and safety ordinances and laws and such rules and regulations thereunder as may be binding upon it; provided, however, that the Obligated Group shall not be required to comply with any law, ordinance, approval or regulation as long as it shall in good faith contest the validity thereof;

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(b) maintain and operate its Property, Plant and Equipment in good repair, working order and condition, and from time to time make or cause to be made all necessary and proper replacements, repairs, renewals and improvements so that the operations of the Obligated Group will not be materially impaired;

(c) pay and discharge all applicable taxes, assessments, governmental charges of any kind whatsoever, water rates, meter charges and other utility charges which may be or have been assessed or which may have become liens upon the Property, Plant and Equipment, and make such payments or cause such payments to be made in due time to prevent any delinquency thereon or any forfeiture or sale of the Property, Plant and Equipment or any part thereof, and, upon request, furnish to the Master Trustee receipts for all such payments, or other evidences satisfactory to the Master Trustee; provided, however, that the Obligated Group shall not be required to pay any tax, assessment, rate or charge as herein provided as long as it (i) shall in good faith contest the validity thereof or shall have applied for property tax exemption which it reasonably expects to receive and such exemption, if granted, would be effective with respect to such tax, assessment, rate or charge, or (ii) shall have entered into an agreement with the applicable taxing authority for the payment of such taxes in installments (to the extent applicable) and remains in compliance with such agreement;

(d) at all times comply with all terms, covenants and provisions of any Liens at such time existing upon its Properties or any part thereof or securing any of its Indebtedness noncompliance with which would reasonably be expected to have a material adverse effect on the operations of the Obligated Group or its Properties;

(e) use commercially reasonable efforts (as long as it is in its best interests and will not materially adversely affect the interests of the Holders) to maintain all permits, licenses and other governmental approvals necessary for the operation of its Properties; and

(f) use commercially reasonable efforts to maintain any available exemption from ad valorem taxation available for any real estate owned by it.

Nothing in this Section 3.02 shall be construed to require the Obligated Group to maintain any permit, license or other governmental approval, or to continue to operate or maintain any Property, Plant or Equipment, if, in the reasonable good faith judgment of the Obligated Group, such permit, license, governmental approval or Property, Plant or Equipment is, or within the next succeeding twenty-four (24) calendar months is reasonably expected to become, inadequate, obsolete, unsuitable, undesirable or unnecessary for the business of the Obligated Group and failure to maintain or operate such permit, license, governmental approval, Property, Plant or Equipment will not materially adversely impair the operation of the Obligated Group, as confirmed with a Certificate from the Asset Manager when such determination is made.

Section 3.03. Mortgages; Encumbrances.

(a) Except as otherwise provided in a Related Supplement or herein, to secure the payment and the performance of the other obligations of the Obligated Group hereunder, the Obligated Group hereby grants to the Master Trustee, for the benefit of the Holders of the Obligations, a security interest in the Property, Plant and Equipment of the Obligated Group. The

Obligated Group covenants and agrees to execute and cause to be filed Uniform Commercial Code financing statements and to execute and deliver such other documents as may be necessary or as the Master Trustee may reasonably require in order to perfect or maintain as perfected such security interest or give public notice thereof, including the timely filing of continuation statements as necessary.

(b) Except as otherwise provided in a Related Supplement, unless project funds allocated to the financing of such Property are escrowed until the filing of a Mortgage, the Obligated Group shall enter into a mortgage, deed of trust, security agreement, assignment of rents and leases and/or financing statement described in the definition of "Mortgages" contained in Section 1.01 hereof for the Property to secure the obligations of the Obligated Group hereunder. The Obligated Group agrees to supplement, modify or amend such deed of trust or mortgage or to execute and deliver such other deeds of trust or mortgages as may be necessary from time to time to grant to the Master Trustee a first priority Lien on any Property of the Obligated Group.

(c) Except as provided in subparagraph (b) above, the Obligated Group covenants and agrees that it will not create, assume or suffer to exist any Lien upon the Property of the Obligated Group except for Permitted Liens.

(d) The Obligated Group agrees to obtain, or to cause to be obtained, at its own cost and expense, American Land Title Association (ALTA) policies of lender's title insurance on its respective Property, in an aggregate amount not less than the aggregate principal amount of the Outstanding Obligations, naming and payable to the Master Trustee, insuring the leasehold or fee title interests, as applicable, of the Obligated Group to the Property, subject only to Permitted Liens, issued by a title insurance company qualified to do business in the state in which the applicable Property is located.

(e) Upon the Master Trustee's receipt of a written request signed by the Obligated Group Representative and the Asset Manager, the Master Trustee shall execute and deliver such releases, subordinations, requests for reconveyance or other instruments as may be reasonably requested by the Obligated Group Representative in connection with (1) the disposition of Property in accordance with the provisions of Section 3.05 hereof, (2) the granting by the Obligated Group of any Lien which constitutes a Permitted Lien hereunder, or (3) payment or redemption of Obligations. In connection with any such request, the Obligated Group Representative shall deliver an Officer's Certificate signed by the Obligated Group Representative and Asset Manager certifying that such instrument is permitted by the terms of this Master Trust Indenture.

Section 3.04. Insurance.

(a) (1) The Obligated Group covenants and agrees that it will obtain and maintain (or cause to be obtained and maintained): (i) property damage insurance on an "all risks" or "special form" basis, including but not limited to coverage against damage or loss caused by fire, explosion, lightning, machinery breakdown, faulty workmanship, design or materials (at least as provided in LEG 2/96 clause or equivalent), theft, hurricane, gale, cyclone, and/or tornado, hail, flooding, earth movement (including but not limited to earthquake, landslide, subsidence and volcanic eruption), flood, windstorm, equipment breakdown, strike, riot, civil commotion and vandalism and malicious mischief, and (ii) during the period of any construction or renovation or

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alteration of the buildings, structures and fixtures constituting any part of the Property owned by the Obligated Group, and only if the property insurance form (as described in Section 3.04(a)(1)(i) herein) does not otherwise provide coverage, a so-called "Builder's All Risk" insurance policy in non reporting form for any such improvements under construction, renovation or alteration including, without limitation, for demolition and increased cost of construction or renovation. All insurance provided pursuant to this subsection shall be in an amount equal to the lesser of (i) one hundred percent (100%) of the insurable value (without deduction for depreciation) of all buildings, structures and fixtures constituting any part of the Property owned by the Obligated Group or (ii) the principal amount of the Outstanding Obligations, and shall be subject to a deductible not to exceed $100,000 per occurrence.

(2) The Obligated Group covenants and agrees to procure and maintain (or cause to be procured or maintained), throughout the term of any Related Bond Indenture, business interruption or loss of rents, as applicable, insurance to cover total or partial loss of the use of any structures constituting any part of the Property as the result of any of the hazards covered by the property insurance required by Section 3.04(a)(1), in an amount sufficient to pay the Required Payments for a period of at least twelve (12) months. Proceeds of such insurance shall be deposited into the Revenue Fund created under Section 4.03(a) hereunder and applied to the payment of the Required Payments, in installments as the proceeds are paid to the Obligated Group.

(3) The Obligated Group covenants and agrees that it will maintain (or cause to be maintained) (i) general liability insurance of at least $1,000,000 per occurrence and $2,000,000 aggregate and (ii) worker's compensation insurance as required by the laws of the state(s) in which the Obligated Group maintains employees.

(4) An Insurance Consultant shall review the insurance requirements of the Obligated Group with respect to the Property from time to time (but not less frequently than once every five years) commencing January 1, 2030. If such review indicates that the Obligated Group should increase any of the coverages required by Section 3.04(a) hereof, the Obligated Group shall review such recommendation with the Governing Body of the Obligated Group and shall increase such coverage; provided, however, that such coverage is available from reputable insurance companies at a reasonable cost on the open market.

(5) The Obligated Group hereby covenants that it will use commercially reasonable efforts to apply for any grants, loans or other relief available from each state government, as applicable, or the federal government to obtain amounts necessary to rebuild any portion of the Property destroyed or damaged in connection with an uninsured or underinsured calamity causing destruction or damage; provided, however, that the Obligated Group shall not be required to accept such amounts if doing so would jeopardize the integrity of the Obligated Group's programs.

(b) The insurance policies required by Section 3.04(a) hereof shall be provided by insurance companies which are financially responsible and capable of fulfilling the requirements of such policies. All such policies (except workers' compensation policies) shall name the Obligated Group and the Master Trustee as loss payees or additional insureds as their interest may appear, as applicable. Each policy shall be in such form and contain such provisions as are

generally considered standard for the type of insurance involved and shall contain a provision to the effect that the insurer shall not cancel the policy without first giving at least thirty (30) days written notice thereof to the Obligated Group Representative, the Related Bond Issuer, the Related Bond Trustee and the Master Trustee. The Obligated Group shall provide the Related Bond Issuer, the Related Bond Trustee and the Master Trustee with written notice of any material modification to any policy required under this Section 3.04 within thirty (30) days of the date of such modification. In lieu of separate policies, the Obligated Group may maintain blanket policies which cover any one or more risks required to be insured against so long as the minimum coverages required herein are met.

(c) (1) All proceeds of the insurance carried pursuant to Section 3.04(a)(1) (except proceeds of the liability portion, if any, of such insurance) and proceeds of any condemnation awards with respect to any individual Property, in each case, in excess of ten percent (10%) of the Book Value of such Property, shall be paid immediately upon receipt by the Obligated Group or other named insured parties to the Master Trustee for deposit in the Insurance and Condemnation Proceeds Fund. In the event that the proceeds of any loss or damage to or condemnation of the Property shall be less than ten percent (10%) of the Book Value of the Property, the Obligated Group may, subject to compliance with any tax covenants contained herein or in any Related Bond Indenture or Related Loan Agreement, retain such proceeds without any formality whatsoever. In the event the Obligated Group elects to repair or replace the Property damaged, destroyed or taken, moneys in the Insurance and Condemnation Proceeds Fund shall be disbursed by the Master Trustee after deducting therefrom the reasonable charges and expenses of the Master Trustee in connection with the collection and disbursement of such moneys, for the purpose of repairing or replacing the Property damaged, destroyed or taken in the manner and subject to the conditions set forth in Section 3.04(d) hereof with respect to disbursements from the Insurance and Condemnation Proceeds Fund; provided, that unless the Master Trustee receives written notice that after repair and replacement the Property will continue to be used for the purposes for which they were constructed or acquired by the Obligated Group, no such disbursement shall be made prior to receipt by the Master Trustee of the written consent of the Related Bond Issuer.

(2) If the Obligated Group shall elect not to, or cannot, repair or replace the Property damaged, destroyed or taken, as provided in Section 3.04(c)(1), subject to Section 3.04(c)(3), the Master Trustee shall transfer all amounts in the Insurance and Condemnation Proceeds Fund on account of such damage, destruction or condemnation to the Related Bond Trustee for deposit in the applicable redemption account under the Related Bond Indenture.

(3) If all of the amounts deposited in the Insurance and Condemnation Proceeds Fund pursuant to the first sentence of Section 3.04(c)(1) exceed ten percent (10%) of the Book Value of the applicable Property, but the Obligated Group Representative notifies the Master Trustee in writing that such proceeds are not sufficient to retire all Related Bonds (or allocable portion thereof) then outstanding with respect to such Property, the Master Trustee shall not transfer said amounts to the applicable redemption account under the Related Bond Indenture unless the Obligated Group Representative shall file with the Master Trustee a report of an Independent Consultant showing that Gross Revenues are projected to be at least equal to the Debt Service Requirement on all Related Bonds then outstanding for each of the three full Fiscal Years immediately following such transfer after giving effect to the retirement of such Related Bonds (or

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allocable portion thereof) in accordance with the terms of the Related Bond Indenture. If the Obligated Group Representative is unable to provide such report of an Independent Consultant, the Obligated Group shall direct the Master Trustee to apply amounts in the Insurance and Condemnation Proceeds Fund to the repair or replacement of the Property damaged, destroyed or taken, as provided in Section 3.04(d)(1), unless the Obligated Group Representative shall file with the Master Trustee an Officer's Certificate stating that attached thereto is a further report of an Independent Consultant showing that even after making such repair and replacement, Gross Revenues are not projected to be at least equal to 1.15 times the Debt Service Requirement on all Related Senior Lien Bonds then outstanding for each of the three full Fiscal Years immediately following the completion of such repair and replacement, in which event the Master Trustee shall transfer moneys into the Insurance and Condemnation Proceeds Fund as provided in Section 3.03(c)(2).

(d) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Insurance and Condemnation Proceeds Fund," and administer said fund as set forth in this Section 3.04(d). Prior to any disbursements from the Insurance and Condemnation Proceeds Fund in accordance with the provisions below, the Obligated Group Representative shall provide a written certification of the amount necessary to effectuate the planned repair or replacement together with any necessary funds such that, after the deposit of such funds, the amount on deposit in the Insurance and Condemnation Proceeds Fund is equal to the amount required to effectuate the planned repair or replacement.

(1) Before any payment from the Insurance and Condemnation Proceeds Fund shall be made, the Obligated Group shall file or cause to be filed with the Master Trustee a Request of the Obligated Group stating: (1) the item number of such payment; (2) the name of the Person to whom each such payment is due, which may be the Obligated Group Representative or the Obligated Group in the case of reimbursement for costs of such repair or replacement theretofore paid by the Obligated Group Representative or the Obligated Group; (3) the respective amounts to be paid; (4) the purpose by general classification for which each obligation to be paid was incurred; (5) that obligations in the stated amounts have been incurred by the Obligated Group Representative or the Obligated Group and are presently due and payable and that each item thereof is a proper charge against the Insurance and Condemnation Proceeds Fund and has not been previously paid from the Insurance and Condemnation Proceeds Fund; and (6) that there has not been filed with or served upon the Obligated Group Representative or the Obligated Group any notice of claim of lien, or attachment upon, or claim affecting the right to receive payment of, any of the amounts payable to any of the persons named in such Request, for which adequate security for the payment of such obligation has been posted, or which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law.

Within five (5) Business Days of receipt of a Request, the Master Trustee shall pay the amount set forth in such Request as directed by the terms thereof out of the Insurance and Condemnation Proceeds Fund. The Master Trustee may conclusively rely upon such Request and shall have no responsibility or duty to investigate any of the matters set forth therein.

(2) When the repair or replacement of a damaged, destroyed or taken Property shall have been completed, the Obligated Group shall deliver to the Master Trustee a

Certificate of the Obligated Group stating the fact and date of such completion and stating that all of the costs thereof have been determined and paid (or that all of such costs have been paid less specified claims that are subject to dispute and for which a retention in the Insurance and Condemnation Proceeds Fund is to be maintained in the full amount of such claims until such dispute is resolved).

Section 3.05. Sale, Lease or Other Disposition of Property. The Obligated Group agrees not to Transfer in any Fiscal Year any Property except:

(a) With the approval of the Asset Manager, to any Person, any Property or assets equal to or less than $1,000,000 in value per year in the aggregate;

(b) Dispositions of obsolete, worn out or defective equipment;

(c) Dispositions of Permitted Investments at fair market value;

(d) To any other Member of the Obligated Group provided that the Mortgage is assigned and/or amended to reflect the Transfer, which assignment or amendment shall not require the consent of a Controlling Party;

(e) Mortgaged Property is not necessary for the operation of the related senior living and healthcare facilities provided that (i) the net proceeds of such sale or other disposition are applied as set forth in paragraph (f) below or (ii) if the Master Trustee has received an Opinion of Bond Counsel to the effect that under then existing law the deposit of such net proceeds in the Revenue Fund would not, in of itself, adversely affect the validity of any Related Bonds or any exemption from federal or state income taxation of interest payable on such Related Bonds otherwise entitled to such exemption, the net proceeds of such sale or other disposition are deposited in the Revenue Fund; and

(f) To any Person provided that such Property is transferred for at least Fair Market Value (provided that, the Obligated Group Representative shall, prior to such transfer, furnish to the Master Trustee a Sufficiency Certificate with confirming directions and an Officer's Certificate from the Asset Manager) and the net proceeds of such sale or other disposition are applied to the payment of the redemption price of Related Bonds in a principal amount as set forth in the Related Bond Indenture for such Related Bonds. Before any Transfer of Property described in above, the Obligated Group Representative shall furnish to the Master Trustee (i) an Officer's Certificate stating that no Event of Default has occurred and is continuing, that no Default will occur or exist as a result of the proposed transfer and stating the amount of the net proceeds, if any, anticipated to be derived from such sale or other disposition of such Property, and (ii) an independent appraisal (which shall be conducted by an independent appraiser) of the Property so sold or disposed of, showing such Property is to be sold or disposed of at a price at least equal to its Fair Market Value.

In addition to the foregoing limitations, except with respect to Section 3.05(a), (b), (c) and (d) above, the Obligated Group may not Transfer any Property unless (1) the Master Trustee shall be furnished with an Officer's Certificate to the effect that (i) the security of the Mortgage relating to such Property and the ability of the mortgagee thereunder to foreclose upon any remaining adjoining Property will not be impaired as a result of the disposition of such Property, and (ii) the Obligated Group shall have conveyed to the mortgagee under such Mortgage such rights-of-way,

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easements and other rights in land as are required for ingress to and egress from any remaining Property, for the utilization of the facilities located thereon and for utilities required to serve such facilities; and (2) except as set forth in Section 3.05(e) above, the Obligated Group shall cause the proceeds, if any, of a sale of such Property to be applied to (a) the defeasance or redemption of Obligations or such portions thereof related to such Property as set forth in any applicable Related Bond Indenture, and the Obligated Group shall provide a written direction to the Master Trustee and any Related Bond Trustee relating to the defeasance or redemption of Related Bonds secured by such Obligations; and (b) the payment of any professional services fees (including but not limited to legal fees, broker fees, and servicing fees) incurred by the Obligated Group in connection with the sale of such Property. In the event that the sale of such Property produces any Excess Sale Proceeds, such Excess Sale Proceeds shall be deposited with the Master Trustee and be applied as follows, as set forth in a written direction received from the Obligated Group Representative: (x) *first*, if at the time of receipt of such Excess Sale Proceeds a deficiency exists with respect to the amount on deposit in any debt service reserve account established with respect to any Related Senior Lien Bonds, such Excess Sale Proceeds shall be deposited in such debt service reserve fund in an amount sufficient to cure such deficiency (or until such Excess Sale Proceeds have been exhausted); and (y) *second*, any remaining Excess Sale Proceeds shall be deposited into the Surplus Fund. The Master Trustee may establish such accounts or subaccounts hereunder for the receipt of proceeds of the sale of Property and the defeasance or redemption of Obligations as may be necessary in compliance with this Section.

Section 3.06. Operating Account; Operations and Maintenance Fund.

(a) Each Member of the Obligated Group shall deposit all of its Gross Revenues as soon as practicable upon receipt in an account which such Member of the Obligated Group shall establish and maintain, subject to the provisions of subsection (b) of this Section, at such banking institution or institutions as the Obligated Group shall from time to time designate in writing to the Master Trustee for such purpose (the "Depository Bank(s)"). The Obligated Group shall execute and deliver such documents (including, but not limited to, control agreements and continuation statements) as may be necessary or reasonably requested by the Master Trustee in order to perfect or maintain as perfected the security interest granted hereunder, including without limitation, the Deposit Account Control Agreement.

(b) Amounts in the Operating Account may be used and withdrawn by the Obligated Group at any time to pay Operating Expenses, except as provided in Section 4.03(a) and as otherwise provided herein. In the event that the Obligated Group is delinquent for more than one Business Day in the payment of any Required Payment with respect to any Obligation issued pursuant to a Related Supplement, the Master Trustee, upon written notice from the Obligated Group Representative or Actual Knowledge of such delinquency, shall notify the Obligated Group Representative of such delinquency, and, unless such Required Payment is paid, or provision for payment is duly made, in a manner satisfactory to the Master Trustee, within five days after the Master Trustee's delivery of such notice to the Obligated Group Representative, the Obligated Group Representative or the Obligated Group shall cause the Depository Bank(s) to transfer the funds in the Operating Account to the Master Trustee. Upon receipt of such funds from the Operating Account, the Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Operations and Maintenance Fund," for the deposit of such transferred funds and for deposit of Gross Revenues. Upon the receipt of such notice by the Obligated Group

Representative, the Members of the Obligated Group shall be required to deposit all Gross Revenues directly with the Master Trustee for deposit in the Operations and Maintenance Fund. The funds in the Operations and Maintenance Fund shall continue to be held in the Operation and Maintenance Fund until six months after the amounts on deposit in said fund are sufficient to pay in full, or have been used to pay in full, all Required Payments in default and all other Events of Default known to the Master Trustee shall have been made good or cured to the satisfaction of the Master Trustee or provision deemed by the Master Trustee to be adequate shall have been made therefor, whereupon the funds in the Operations and Maintenance Fund (except for the Gross Revenues required to make such payments or cure such defaults) shall be returned to the name and credit of the Obligated Group as directed in an Officer's Certificate. During any period that the Gross Revenues are required to be deposited directly with the Master Trustee into the Operations and Maintenance Fund, the Master Trustee shall use and withdraw amounts in said Fund from time to time (1) first, to make payments owed to Master Trustee in accordance with Section 7.05 hereof, (2) second, to make Required Payments as such payments become due (whether by maturity, redemption, acceleration or otherwise), and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of Required Payments ratably without any discrimination or preference, and (3) third, to such other payments in the order which the Master Trustee, in its discretion, shall determine to be in the best interests of the Holders of Obligations without discrimination or preference. During any period that the Gross Revenues are required to be deposited directly with the Master Trustee into the Operations and Maintenance Fund, the Obligated Group shall not be entitled to use or withdraw any of the Gross Revenues unless and to the extent that the Controlling Owners so direct the Master Trustee to pay current or past due Operating Expenses of the Obligated Group. The Obligated Group agrees to execute and deliver all instruments as may be required to implement this Section. The Obligated Group further agrees that a failure to comply with the terms of this Section shall cause irreparable harm to the Holders and shall entitle the Master Trustee, with or without notice, to take immediate action to compel the specific performance of the obligations of the Obligated Group as provided in this Section.

(c) The Obligated Group covenants and agrees that, so long as any of the Obligations remain Outstanding, all of the Gross Revenues, after the payment of or provision for both Operating Expenses and budgeted normal capital expenditures related to the maintenance of each Property to be paid within the next 30 days, shall be transferred from the Operating Account for deposit with the Master Trustee in the Revenue Fund, as set forth in Section 4.03(b) of this Master Trust Indenture.

Section 3.07. Rates and Charges; Coverage; Liquidity.

(a) The Obligated Group covenants and agrees to fix, charge and collect, or cause to be fixed, charged and collected, rental rates, fees and charges due from the residents of the Properties so that Gross Revenues, together with other available moneys, will be sufficient to pay all Required Payments when due and all Operating Expenses.

(b) The Obligated Group covenants and agrees to fix, charge and collect, or cause to be fixed, charged and collected, rental rates, fees, and charges in each Bond Year, commencing with the Bond Year ending January 1, 2026, sufficient to produce a Debt Service Coverage Ratio of not less than 1.15:1.00 with respect to the Related Senior Lien Bonds (the "Rate Covenant"). If, based upon the annual financial statements of the Obligated Group required herein, for any

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Fiscal Year such Debt Service Coverage Ratio was not maintained, the Obligated Group agrees to retain promptly an Independent Consultant for purposes of obtaining a report of such firm containing recommendations as to changes in the operating policies of the Obligated Group designed to maintain such Debt Service Coverage Ratio and to follow such recommendations.

The Obligated Group Representative shall deliver a Certificate to the Master Trustee along with the audited financial statements required by Section 5.06, commencing with the audited financial statements for the Fiscal Year ending December 31, 2025, which Certificate shall set forth the calculation of the Debt Service Coverage Ratio for each Fiscal Year and the Obligated Group's compliance with the Rate Covenant.

No default under this subparagraph (b) will occur if a Debt Service Coverage Ratio less than required but at least 1.00:1.00 with respect to the Related Senior Lien Bonds is maintained, the Liquidity Requirements as of the related Testing Date was met, and if such recommendations are followed; provided, however, if the Debt Service Coverage Ratio with respect to the Related Senior Lien Bonds is not attained by the end of the next Fiscal Year, then an Event of Default shall occur.

The Obligated Group's obligation to meet the Rate Covenant remains so long as any applicable Obligations are Outstanding.

(c) The Obligated Group covenants that it will calculate the Days Cash on Hand of the Obligated Group as of December 31 of each Fiscal Year, commencing with December 31, 2025 (each such date being a "Testing Date").

Each Member of the Obligated Group is required to conduct its business so that on each Testing Date the Obligated Group shall have no less than (i) 60 Days Cash on Hand on the Closing Date, December 31, 2025, December 31, 2026 and December 31, 2027, (ii) 75 Days Cash on Hand on December 31, 2028 and December 31, 2029, and (iii) 90 Days Cash on Hand on December 31, 2030 and December 31, 2031, and (iv) 120 Days Cash on Hand on December 31, 2032 and each December 31 thereafter (the "Liquidity Requirement").

The Obligated Group Representative shall deliver a Certificate to the Master Trustee along with the audited financial statements required by Section 5.06, commencing with the audited financial statements for the Fiscal Year ending December 31, 2025, which Certificate shall set forth the calculation of the Days Cash on Hand as of the end of such Fiscal Year and the Obligated Group's compliance with the Liquidity Requirement.

If, based upon the annual financial statements of the Obligated Group required herein, for any Fiscal Year such Liquidity Requirement was not maintained, the Obligated Group agrees to employ promptly an Independent Consultant for purposes of obtaining a report of such firm containing recommendations as to changes in the operating policies of the Obligated Group designed to maintain such Liquidity Requirement and to follow such recommendations.

Notwithstanding any other provision of this Master Trust Indenture, failure of the Obligated Group to achieve the required Liquidity Requirement for any Testing Date shall not constitute an Event of Default under this Master Trust Indenture if the Obligated Group takes all action necessary to comply with the above paragraph and follows each recommendation contained

in such Independent Consultant's report to the extent feasible (as determined in the reasonable judgment of the Governing Body of such Member) and permitted by law.

Section 3.08. Annual Budget.

(a) On the Master Trust Indenture Effective Date and at least forty-five (45) days prior to the first day of each Fiscal Year commencing with the Fiscal Year beginning January 1, 2026, the Obligated Group shall prepare the Annual Budget for the following Fiscal Year, which Annual Budget shall include Operating Expenses detailed on a monthly basis. If the Obligated Group fails to prepare the Annual Budget for any Fiscal Year, the Annual Budget for the preceding Fiscal Year shall continue in effect until the Annual Budget is prepared for the remainder of the applicable Fiscal Year. Promptly following preparation by the Obligated Group, a copy of each Annual Budget or amendment thereto will be furnished to the Master Trustee (provided nothing herein shall obligated the Master Trustee to review such Annual Budget). The Annual Budget, and any amendment thereto, must indicate whether the Rate Covenant is anticipated to be met for the Fiscal Year to which such Annual Budget relates, based on the Gross Revenues estimated therein. The Annual Budget may be amended and any amendment, including a statement of the reasons for the amendment, shall be furnished to the Master Trustee within thirty (30) days after the adoption thereof.

(b) If the Annual Budget, or any amendment thereto, indicates that the Rate Covenant is not anticipated to be met, an Independent Consultant shall be retained by the Obligated Group (i) to review the Annual Budget and (ii) to certify to the Master Trustee (x) that the Annual Budget, revised to reflect such recommendations or variations as may be presented in writing by the Independent Consultant, is reasonable, and (y) whether the Rate Covenant for the Fiscal Year to which such revised Annual Budget relates will be met based on the recommendations and the Operating Expenses projected by the Independent Consultant.

Section 3.09. Admission of Members to the Obligated Group. Any other Person may become a Member of the Obligated Group if:

(a) Such Person is a business entity;

(b) Such Person shall execute and deliver to the Master Trustee a Related Supplement in a form acceptable to the Master Trustee which shall be executed by the Master Trustee and the Obligated Group Representative, (i) containing the agreement of such Person (y) to become a Member of the Obligated Group and thereby to become subject to compliance with all provisions of this Master Trust Indenture, and (z) unconditionally and irrevocably (subject to the right of such Person to cease its status as a Member of the Obligated Group pursuant to the terms and conditions of Section 3.11 hereof) to jointly and severally make payments upon each Obligation, and (ii) stating whether such Person has Property, a description thereof, and whether such Property will become Mortgaged Property upon such Person's execution and delivery of the Related Supplement;

(c) The Obligated Group Representative and each Member shall have approved the admission of such Person to the Obligated Group;

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(d) The Master Trustee shall have received (i) an Officer's Certificate of the Obligated Group Representative which (A) states that prior to and immediately after such Person becoming a Member of the Obligated Group, no Event of Default exists hereunder and no event shall have occurred which with the passage of time or the giving of notice, or both, would become such an Event of Default; and (B) prior to and immediately after such Person becoming a Member of the Obligated Group, the Members would not be in default in the performance or observance of any covenant or condition to be performed or observed hereunder; (ii) a Sufficiency Certificate; (iii) an Opinion of Counsel in form and substance acceptable to the Master Trustee to the effect that (x) the instrument described in Section 3.09(b) above has been duly authorized, executed and delivered and constitutes a legal, valid and binding agreement of such Person, enforceable in accordance with its terms, subject to customary exceptions for bankruptcy, insolvency and other laws generally affecting enforcement of creditors' rights and application of general principles of equity, and (y) the addition of such Person to the Obligated Group will not adversely affect the status of any Member as an organization exempt from federal income tax under Section 501(a) of the Code due to being described in Section 501(c)(3) of the Code, or as a single member limited liability company that is disregarded for federal tax purposes, whose sole member is an organization exempt from federal income tax under Section 501(a) of the Code due to being described in Section 501(c)(3) of the Code; (iv) written notice from each Rating Agency then maintaining a rating on any series of Related Bonds to the effect that the admission of such Person to the Obligated Group will not result in a lower rating on such series of Related Bonds; (v) if all amounts due or to become due on all Related Bonds have not been paid to the holders thereof and provision for such payment has not been made in such manner as to have resulted in the defeasance of all Related Bond Indentures, an Opinion of Bond Counsel to the effect that under then existing law the consummation of such transaction would not, in of itself, adversely affect the validity of any Related Bonds or any exemption from federal or state income taxation of interest payable on such Related Bonds otherwise entitled to such exemption; provided that in making the calculation called for by subsection (d)(i) above, (x) there shall be excluded from Gross Revenues any Gross Revenues generated by property of such Person transferred or otherwise disposed of by such Person since the beginning of the Fiscal Year during which such Person's entry into the Obligated Group occurs, and (y) there shall be excluded from Operating Expenses any Operating Expenses related to property of such Person transferred or otherwise disposed of by such Person since the beginning of the Fiscal Year during which such Person's entry into the Obligated Group occurs; and

(e) The Master Trustee shall have received an Officer's Certificate from the Obligated Group Representative confirming that such Person has complied with the provisions of Sections 3.03 (to the extent that such Person owns Property that is intended to become Mortgaged Property), 3.04. 3.06 and 4.01 hereof.

Each successor, assignee, surviving, resulting or transferee corporation of a Member must agree to become, and satisfy the above described conditions to becoming, a Member of the Obligated Group prior to any such succession, assignment or other change in such Member's corporate status.

Section 3.10. Obligated Group Members. Upon any Person's becoming a Member of the Obligated Group as provided in Section 3.09, each such Person hereby acknowledges and agrees that:

(a) the Master Trustee may pursue any remedies consequent upon an Event of Default against any Member of the Obligated Group, or all of them, without notice to, demand upon or joinder of (and without in any way releasing) any of the others, or against any one or more or all of them at the same time or at different times;

(b) any right of contribution or right acquired by subrogation by any Member of the Obligated Group against any other Member of the Obligated Group arising out of the payment of Indebtedness shall be subordinated to the rights of the Master Trustee and the Holders of Obligations; and

(c) the Obligated Group Representative is designated as its attorney in fact with full power of substitution to perform, satisfy, and discharge every obligation, covenant, duty or liability to be performed on the part of the Member of the Obligated Group hereunder.

Section 3.11. Withdrawal of Members of the Obligated Group. Each Member covenants that it will not take any action, corporate or otherwise, which would cause it or any successor thereto into which it is merged or consolidated under the terms of this Master Trust Indenture to cease to be a Member of the Obligated Group unless:

(a) prior to cessation of such status, there is delivered to the Master Trustee an Opinion of Counsel to the effect that, under then existing law, the cessation by the Member of its status as a Member will not adversely affect the validity of any Related Bond and an Opinion of Bond Counsel that it will not, with respect to any Related Bond the interest on which is tax-exempt, adversely affect the exclusion of interest on such Related Bonds from gross income of the owners thereof for federal income tax purposes;

(b) prior to the cessation of such status, there is delivered to the Master Trustee a Sufficiency Certificate and an Officer's Certificate to the effect that: (i) prior to and immediately after such cessation, no Event of Default exists hereunder and no event shall have occurred which with the passage of time or the giving of notice, or both, would become such an Event of Default; (ii) the Projected Debt Service Coverage Ratio for the Obligated Group following the cessation of such status is either (A) not less than the Debt Service Coverage Ratio for the Obligated Group as of the end of the most recent Fiscal Year or (B) the Obligated Group would be permitted to incur Additional Indebtedness following the cessation of such status pursuant to subsection (b) of the definition of Sufficiency Certificate; (iii) it has received evidence from each Rating Agency then maintaining a rating on any series of Related Bonds to the effect that the withdrawal of such Person from the Obligated Group will not result in a lower rating on such series of Related Bonds; and (iv) prior to and immediately after such cessation, the Members would not be in default in the performance or observance of any covenant or condition to be performed or observed hereunder;

(c) prior to such cessation there is delivered to the Master Trustee an Opinion of Counsel to the effect that the cessation by such Member of its status as a Member will not, in of itself, adversely affect the status of any Member as an organization exempt from federal income tax under Section 501(a) of the Code due to being described in Section 501(c)(3) of the Code, or as a single member limited liability company that is disregarded for federal tax purposes, whose sole member is an organization exempt from federal income tax under Section 501(a) of the Code due to being described in Section 501(c)(3) of the Code;

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(d) prior to such cessation of such status there is delivered to the Master Trustee evidence from each Rating Agency then maintaining a rating on any series of Related Bonds to the effect that the cessation of such status will not result in a lower rating on such series of Related Bonds;

(e) to the extent any Properties are being removed from the lien of the Mortgage in connection with the withdrawal of a Member, Section 3.05 hereof is complied with;

(f) any Liens in favor of the withdrawing Member on the Property of a remaining Member is released and satisfied unless such Lien constitutes a Permitted Lien after the withdrawing Member is no longer a Member; and

(g) prior to cessation of such status, the Obligated Group Representative and each Member, consents in writing to the withdrawal by such Member.

Section 3.12. Calculation of Debt Service and Debt Service Coverage. The various calculations of the amount of Indebtedness of a Person, the amortization schedule of such Indebtedness and the debt service payable with respect to such Indebtedness required under certain provisions of this Master Trust Indenture shall be delivered to the Master Trustee in an Officer's Certificate of the Obligated Group Representative and made in a manner consistent with that adopted in Section 5.01 hereof and in this Section 3.12. In the case of Balloon or Put Indebtedness issued pursuant to subsection (d), (e) or (l) of Section 5.01 hereof, unless such Indebtedness is reclassified pursuant to this Section 3.12 as having been issued pursuant to another subsection of Section 5.01 hereof, the amortization schedule of such Indebtedness and the debt service payable with respect to such Indebtedness for future periods shall be calculated on the assumption that such Indebtedness is being issued simultaneously with such calculation. With respect to Put Indebtedness, if the option of the holder to require that such Indebtedness be paid, purchased or redeemed prior to its Stated Maturity date, or if the requirement that such Indebtedness be paid, purchased or redeemed prior to its Stated Maturity date (other than at the option of such holder and other than pursuant to any mandatory sinking fund or any similar fund), has expired or lapsed as of the date of calculation, such Put Indebtedness shall be deemed payable in accordance with its terms, not taking into account such put option.

In determining the amount of debt service payable on Indebtedness in the course of the various calculations required under certain provisions of this Master Trust Indenture, if the terms of the Indebtedness being considered are such that interest thereon for any future period of time is expressed to be calculated at a varying rate per annum, a formula rate or a fixed rate per annum based on a varying index, then for the purpose of making such determination of debt service, interest on such Indebtedness for such period (the "Determination Period") shall be computed by assuming that the rate of interest applicable to the Determination Period is equal to the average of the rate of interest (calculated in the manner in which the rate of interest for the Determination Period is expressed to be calculated) which was in effect (or, with respect to Indebtedness that is being incurred or that has not been outstanding for at least 12 full calendar months, would have been in effect had such Indebtedness been outstanding) on the last date of each of the 12 full calendar months immediately preceding the month in which such calculation is made; provided that if the index or other basis for calculating such interest was not in existence for at least 12 full calendar months next preceding the date of calculation, the rate of interest for such period shall be

deemed to be the average rate of interest that was in effect on the last day of each full calendar month next preceding the date of calculation; and if the average rate of interest borne by such Indebtedness for such shorter period cannot be calculated, the rate of interest for such period shall be deemed to be the Projected Rate.

Obligations issued to secure Indebtedness permitted to be incurred under Section 5.01 hereof shall not be treated separately as Additional Indebtedness from the Indebtedness secured thereby in a manner which would require such Indebtedness to be included more than one time in the calculations performed under this Master Trust Indenture.

No debt service shall be deemed payable with respect to Commitment Indebtedness until such time as funding occurs under the commitment which gave rise to such Commitment Indebtedness. From and after such funding, the amount of such debt service shall be calculated in accordance with the actual amount required to be repaid on such Commitment Indebtedness and the actual interest rate and amortization schedule applicable thereto. No Additional Indebtedness shall be deemed to arise when any funding occurs under any such commitment or any such commitment is renewed upon terms which provide for substantially the same terms of repayment of amounts disbursed pursuant to such commitment as obtained prior to such renewal. In addition, no Additional Indebtedness shall be deemed to arise when Indebtedness which bears interest at a variable rate of interest is converted to Indebtedness which bears interest at a fixed rate or the method of computing the variable rate on such Indebtedness is changed or the terms upon which Indebtedness, if Put Indebtedness, may be or is required to be tendered for purchase are changed, if such conversion or change is in accordance with the provisions applicable to such variable rate Indebtedness or Put Indebtedness in effect immediately prior to such conversion or change.

Balloon Indebtedness incurred as provided under subsection (m) of Section 5.01 hereof, unless reclassified pursuant to this Section 3.12, shall be deemed to be payable in accordance with the assumptions set forth in subsection (d)(1)(B) of Section 5.01 hereof. Put Indebtedness incurred as provided under subsection (m) of Section 5.01 hereof, unless reclassified pursuant to this Section 3.12, shall be deemed to be payable in accordance with the assumptions set forth in subsection (e)(1) of Section 5.01 hereof. Principal payments due with respect to Balloon Indebtedness in any year in which 25% or more of the original principal amount of such mature during any consecutive 12-month period and any principal payment due with respect to Put Indebtedness due on a Put Date shall be disregarded to the extent such principal payments are refinanced pursuant to other permitted Indebtedness.

For the purpose of determining whether any particular Guaranty may be incurred, it shall be assumed that 100% of the Indebtedness guaranteed is Funded Indebtedness of the guarantor under such Guaranty. For the purpose of calculating any historical Debt Service Requirements, the guarantor's Debt Service Requirements under a Guaranty shall be deemed to be the actual amount paid on such Guaranty by the guarantor. For any other purpose, a guarantor shall be considered liable only for 20% of the annual debt service requirement on the Indebtedness guaranteed; provided, however, if the guarantor has been required by reason of its guaranty to make a payment in respect of such Indebtedness within the immediately preceding 24 months, the guarantor shall be considered liable for 100% of the annual debt service requirement on the Indebtedness guaranteed.

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For purposes of the various calculations required under this Master Trust Indenture for Capitalized Leases, the Capitalized Rentals under a Capitalized Lease at the time of such calculation shall be deemed to be the principal payable thereon.

Each Member may elect to have Indebtedness issued pursuant to one provision of Section 5.01 hereof, including without limitation subsection (m) of Section 5.01 hereof, reclassified as having been incurred under another provision of Section 5.01 hereof, by demonstrating compliance with such other provision on the assumption that such Indebtedness is being reissued on the date of delivery of the materials required to be delivered under such other provision including the certification of any applicable Projected Rate. From and after such demonstration, such Indebtedness shall be deemed to have been incurred under the provision with respect to which such compliance has been demonstrated until any subsequent reclassification of such Indebtedness.

Anything herein to the contrary notwithstanding, any portion of any Indebtedness of any Member for which an Interest Rate Agreement has been obtained or will be obtained simultaneously with the issuance of such Indebtedness by such Member shall be deemed to bear interest for the period of time that such Interest Rate Agreement is in effect at a net rate which takes into account the interest payments made by such Member on such Indebtedness and the Regularly Scheduled Payments made or received by such Member on such Interest Rate Agreement; provided that the long term credit rating of the provider of such Interest Rate Agreement (or any guarantor thereof) is in one of the three highest rating categories of any Rating Agency (without regard to any refinements of gradation of rating category by numerical modifier or otherwise) or is at least as high as that of the Obligated Group. In addition, so long as any Indebtedness is deemed to bear interest at a rate taking into account an Interest Rate Agreement, any payments (regularly scheduled, termination or otherwise) made by a Member on such Interest Rate Agreement shall be excluded from Operating Expenses and any payments (regularly scheduled, termination or otherwise) received by a Member on such Interest Rate Agreement shall be excluded from Revenues, in each case, for all purposes of this Master Trust Indenture.

A revolving line of credit or line of credit may be deemed to be fully drawn on the date of issuance and amortized in accordance with such agreement or if no amortization schedule is provided under such agreement or if it would be Balloon Indebtedness, then it shall be amortized in accordance with the assumption set forth in subsection (d)(1)(B) of Section 5.01 hereof.

Section 3.13. Formation of Subsidiaries of the Members of the Obligated Group. The Members of the Obligated Group are permitted to form additional subsidiaries, and such subsidiaries are not required to become a Member of the Obligated Group.

ARTICLE IV

PLEDGE; PLEDGED FUNDS; INVESTMENTS

Section 4.01. Pledge.To secure the payment of Required Payments and the performance by the Obligated Group of its other obligations under this Master Trust Indenture, and subject only to the provisions of this Master Trust Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, the Obligated Group hereby pledges and grants a security interest to the Master Trustee in, all of its right, title and interest, whether now owned or hereafter acquired, in, to and under the Pledged Assets.

(b) The Obligated Group shall authorize and shall cause to be filed, Uniform Commercial Code financing statements and shall execute and cause to be sent to the Master Trustee a notice of the security interest granted hereunder. The Obligated Group Representative shall execute and deliver such other documents (including, but not limited to, control agreements) on behalf of the Obligated Group as may be necessary or reasonably requested by the Master Trustee in order to perfect or maintain as perfected such security interest or give public notice thereof. Provided a copy of the originally filed Uniform Commercial Code financing statements are timely delivered to the Master Trustee, the Master Trustee shall file or cause to be filed all necessary continuation statements with respect to such originally filed Uniform Commercial Code financing statements. Notwithstanding anything to the contrary contained herein, neither the Master Trustee nor any other Person (other than the Obligated Group) shall be responsible for any initial filings of any financing statements or the information contained therein (including the exhibits thereto), the perfection or priority of any such security interests, or the accuracy or sufficiency of any description of collateral in such initial filings or for filing any modifications or amendments to the initial filings required by Article 9 of the Uniform Commercial Code. In filing any continuation statements, the Master Trustee may conclusively rely upon the original financing statement unless otherwise notified in writing by the Obligated Group Representative.

Section 4.02. Establishment of Funds and Accounts. The following funds and separate accounts are hereby established and shall be held, in trust, and maintained by the Master Trustee:

Revenue Fund;
Administrative Costs Fund;
Senior Lien Obligations Fund;
    Interest Account,
    Principal Account, and
    Redemption Account;
Operating Reserve Fund;
Repair and Replacement Fund;
Subordinated Management Fees Fund;
Junior Lien Obligations Fund;
    Interest Account, and
    Principal Account; and
Surplus Fund.

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Section 4.03. Revenue Fund.

(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Revenue Fund," and within said fund one or more separate accounts as directed by the Obligated Group Representative from time to time, and administer said fund and any such accounts as set forth in this Section 4.03.

(b) After the payment of or provision for both Operating Expenses and budgeted normal capital expenditures related to the maintenance of each such Property to be paid within the next 30 days, no later than the 10th day of each calendar month, the Obligated Group shall transfer to the Master Trustee from each Operating Account all amounts in excess of 30 days of both Operating Expenses and budgeted normal capital expenditures related to the maintenance of the applicable Property and the Master Trustee shall deposit such amounts into the Revenue Fund, as and when received, from (i) all Gross Revenues, (ii) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (iii) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) The twentieth (20^{th}) day of each calendar month, the Master Trustee shall use and withdraw amounts in the Revenue Fund and apply such amounts to the following purposes in the following order, provided that, in the event funds in any month are insufficient to make any one or more of such transfers, any and all of such deficiencies will be remedied prior to making any transfers to any subordinated funds (based on the following order of priority) in any future month:

(i) at the written direction of the Obligated Group Representative, to any Related Bond Trustee for deposit to the Rebate Fund established under a Related Bond Indenture, the amount set forth in such written direction;

(ii) at the written direction of the Obligated Group Representative, to the Master Trustee for deposit to the Administrative Costs Fund established hereunder, the amount set forth in such written direction for the payment of Administrative Fees;

(iii) to the following accounts in the following order of priority:

(1) the Interest Account of the Senior Lien Obligations Fund, an amount equal to the quotient obtained by dividing the amount of interest on the Senior Lien Obligations Outstanding payable on the first Interest Payment Date by the number of months between the related Closing Date and the first Interest Payment Date, and thereafter an amount equal to one-sixth (1/6) of the amount of interest due and payable on the Senior Lien Obligations on the next Interest Payment Date, plus an amount equal to any then-existing shortfall from prior periods; and

(2) commencing on that calendar month as shall precede the first Principal Payment Date by more than twelve (12) but less than thirteen (13) months, the Principal Account of the Senior Lien Obligations Fund, an amount equal to one-twelfth (1/12) of the Principal Amount of the Senior Lien Obligations due and payable on the next Principal Payment Date, including sinking fund installments, if applicable, plus an amount equal to any then-existing shortfall from prior periods;

In making such deposits, the Master Trustee shall reduce the amount of the Required Payments by (i) any investment earnings which have accrued in such accounts and (ii) any amounts which the Related Bond Trustee notifies it in writing are available for the Required Payments under the Related Bond Indenture;

(iv) to the Operating Reserve Fund, the Operating Reserve Required Balance;

(v) to the Repair and Replacement Fund, an amount equal to one-twelfth (1/12) of the Repair and Replacement Requirement;

(vi) upon receipt of written notice from any Related Bond Trustee of a deficiency, to the Related Bond Trustee 1/36th of the amount set forth in such notice for the purpose of replenishing any debt service reserve account established with respect to any Related Senior Lien Bonds, and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of such amounts with respect to Related Senior Lien Bonds ratably without any discrimination or preference;

(vii) annually, commencing with the transfer in the month following the delivery of a Certificate to the Master Trustee required by subsections (b) and (c) of Section 3.07 that evidences compliance with the Rate Covenant and the Liquidity Requirement for the applicable period, along with a direction from the Obligated Group Representative as to the amounts to be transferred pursuant to the following subsections:

(A) to the Subordinated Management Fees Fund at the written direction of the Obligated Group Representative to the Master Trustee an amount set forth in such direction that is equal to the Annual Budget for the payment of the Subordinated Management Fees, provided that such amount, when combined with the Senior Management Fees, shall not exceed 1.5% of the Gross Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported on by independent certified public accountants are available;

(B) all amounts necessary to replenish any debt service reserve account established with respect to any Related Senior Lien Bonds in full (i.e. the amount set forth in the written notice from a Related Bond Trustee with respect to a deficiency less any amounts paid to date pursuant to clause (vi) above), to the Related Bond Trustee for the purpose of replenishing any debt service reserve account established with respect to any Related Senior Lien Bonds;

(C) so long as any Senior Lien Obligations are Outstanding, 75% of all funds remaining in the Revenue Fund after the deposits required pursuant to clauses (i) through (vi) above and clauses (A) and (B) of this clause (vii), to the Redemption Account of the Senior Lien Obligations Fund;

(D) to the Surplus Fund, any remaining amounts on deposit in the Revenue Fund.

If the Obligated Group Representative shall fail to deliver a Certificate to the Master Trustee required by subsections (b) and (c) of Section 3.07 that evidences compliance with

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the Rate Covenant and the Liquidity Requirement for the applicable period, no transfers shall be made pursuant to this subsection (vii) until such time as a Certificate is provided to the Master Trustee that evidences compliance with the Rate Covenant and the Liquidity Requirement for a subsequent applicable period.

Section 4.04. Administrative Costs Fund.

(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Administrative Costs Fund," and within said fund one or more separate accounts as directed by the Obligated Group Representative from time to time, and administer said fund and such accounts as set forth in this Section 4.04.

(b) The Master Trustee shall deposit into the Administrative Costs Fund, as and when such amounts are received, (i) each month, the amount transferred from the Revenue Fund pursuant to Section 4.03(c)(ii) hereof, (ii) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (iii) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) Investment earnings on amounts on deposit in the Administrative Costs Fund shall be retained therein.

(d) At the written direction of the Obligated Group Representative, which shall be in the form provided in Appendix A hereof, the Master Trustee shall transfer and apply from the Administrative Costs Fund the amount set forth in such written direction in the manner described therein for the payment of Administrative Fees; provided, however, that the Master Trustee shall transfer and apply from the Administrative Costs Fund all amounts owed to a Related Bond Issuer (i) upon the Master Trustee's receipt of written notice from a Related Bond Issuer stating that such amounts are due and payable notwithstanding whether or not such amounts are included in the written direction of the Obligated Group Representative, or (ii) as directed in a Related Supplement.

Section 4.05. Senior Lien Obligations Fund.

(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Senior Lien Obligations Fund," and within said fund one or more separate accounts as directed by the Obligated Group Representative from time to time, including an Interest Account, a Principal Account and a Redemption Account, and administer said fund and any such accounts as set forth in this Section 4.05.

(b) (i) The Master Trustee shall deposit into the Interest Account of the Senior Lien Obligations Fund, as and when such amounts are received, (A) each month, the amounts required to be deposited from the Revenue Fund into the Senior Lien Obligations Fund pursuant to Section 4.03(c)(iii)(1) hereof, (B) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (C) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(ii) The Master Trustee shall deposit into the Principal Account of the Senior Lien Obligations Fund, as and when such amounts are received, (A) each month, the amounts required to be deposited from the Revenue Fund into the Principal Account of the Senior Lien Obligations Fund pursuant to Section 4.03(c)(iii)(2) hereof, (B) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (C) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(iii) The Master Trustee shall deposit into the Redemption Account of the Senior Lien Obligations Fund, as and when such amounts are received, (A) each month, the amounts required to be deposited from the Revenue Fund into the Redemption Account of the Senior Lien Obligations Fund pursuant to Section 4.03(c)(xvi) hereof, (B) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (C) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) Investment earnings on amounts on deposit in the Senior Lien Obligations Fund shall be retained therein.

(d) Provided that no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice in accordance with Section 6.13 hereof, on the third (3rd) Business Day prior to each Payment Date, funds shall be transferred from the Interest Account of the Senior Lien Obligations Fund and the Principal Account of the Senior Lien Obligations Fund to the Related Bond Trustee to make Required Payments with respect to Senior Lien Obligations as such payments become due (whether by maturity, redemption, acceleration or otherwise), and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of Required Payments with respect to Senior Lien Obligations ratably without any discrimination or preference.

(e) Provided that that (i) no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice in accordance with Section 6.13 hereof, (ii) the Obligated Group Representative has delivered an Officer's Certificate to the Master Trustee evidencing compliance with the Liquidity Requirement and the Rate Covenant for the prior fiscal year in accordance with Section 3.07, and (iii) the Obligated Group Representative has delivered written notice to the Master Trustee and each Related Bond Trustee by May 31st of such year stating the amount on deposit in the Redemption Account of the Senior Lien Obligations Fund available to redeem the applicable Related Bonds as of such date, then, on the third Business Day prior to each July 1st, commencing with July 1, 2028, funds shall be transferred from the Redemption Account of the Senior Lien Obligations Fund, pro rata based on the then current outstanding principal amounts of the Related Bonds secured by a Senior Lien Obligation and as directed in writing by the Obligated Group Representative pursuant to clause (iii) above, to each Related Bond Trustee to redeem Related Bonds secured by Senior Lien Obligations.

Section 4.06. Operating Reserve Fund.

(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Operating Reserve Fund," and within said fund one or more separate accounts

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as directed by the Obligated Group from time to time, and administer said fund and any such accounts as set forth in this Section 4.06.

(b) The Master Trustee shall deposit into the Operating Reserve Fund, as and when such amounts are received, (i) an amount equal to $[_____] on the Master Trust Indenture Effective Date, (ii) each month, the amount required to be deposited from the Revenue Fund into the Operating Reserve Fund pursuant to Section 4.03(c)(iv) and Section 4.03(c)(viii) hereof, (iii) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (iv) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) (i) At the written direction of the Obligated Group Representative directing a disbursement and certifying that such disbursement is permitted by this Section 4.06, the Master Trustee shall transfer and apply amounts on deposit in the Operating Reserve Fund for the payment of Operating Expenses (excluding Asset Management Fees), then due and payable, to the extent there are not sufficient funds for the payment thereof in the Operating Account, and (ii) at the written direction of the Asset Manager or the NFP Manager directing a disbursement and certifying that such disbursement is permitted by this Section 4.06, the Master Trustee shall transfer and apply amounts on deposit in the Operating Reserve Fund for the payment of any Asset Management Fees that have accrued and are payable to the Asset Manager or the NFP Manager but have been unpaid for at least four (4) years. The Master Trustee may rely upon any such written direction in making a disbursement from the Operative Reserve Fund.

(d) On the second Business Day immediately preceding the first day of each calendar month, to the extent there are insufficient funds on deposit in the Repair and Replacement Fund to make any transfer required pursuant to Section 4.07(d) hereof (but only with respect to transfers required under Section 4.03(c)(i)-(iii) hereof), the Master Trustee shall withdraw from Operating Reserve Fund and transfer to the Revenue Fund an amount equal to the difference between the amount required to be transferred to the Revenue Fund pursuant to Section 4.07(d) hereof (but only with respect to transfers required under Section 4.03(c)(i)-(iii) hereof) and the amount, if any, actually transferred to the Revenue Fund pursuant to Section 4.07(d).

(e) Investment earnings on amounts on deposit in the Operating Reserve Fund shall be retained therein.

(f) On the last Business Day of the month prior to each Interest Payment Date, the Master Trustee shall transfer all amounts on deposit in the Operating Reserve Fund in excess of the Operating Reserve Required Balance to the Revenue Fund; provided that, the Master Trustee shall retain such additional amounts in the Operating Reserve Fund as indicated pursuant to the written direction of the Obligated Group Representative.

Section 4.07. Repair and Replacement Fund.

(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Repair and Replacement Fund," and shall establish in such Repair and Replacement Fund the following four (4) accounts on the Master Trust Indenture Effective Date as well such additional separate accounts as directed by the Obligated Group from time to time

after the Master Trust Indenture Effective Date, and administer said fund and any such accounts as set forth in this Section 4.07:

(i) Liana of Venice Account;

(ii) The Fairways at Naples Account; and

(iii) Sage Lake Senior Living Account.

(b) The Master Trustee shall deposit into the accounts of the Repair and Replacement Fund, as and when such amounts are received, (i) each month, the amount required to be deposited from the Revenue Fund into each respective account of the Repair and Replacement Fund pursuant to Section 4.03(c)(v) hereof, (ii) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (iii) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) Provided that no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice in accordance with Section 6.13 hereof, at the direction of Obligated Group Representative, which shall be in the form provided in Appendix B hereof, funds may be withdrawn from an account in the Repair and Replacement Fund for expenditures for the related Property associated with repairs and maintenance; building improvements; site preparation; onsite or offsite infrastructure improvements necessitated or required by the construction or development of such Property (including but not limited to, sidewalks and curbs, roadway improvements, traffic signals, intersection and turn-lane improvements, stormwater and sanitary sewers, drainage improvements, utility lines and pipes, environmental remediation and wetland mitigation); to pay operating costs or scheduled debt service as needed, to the extent funds are not otherwise available in the applicable Operating Account, the Operating Reserve Fund or the Surplus Fund.

(d) On the second Business Day immediately preceding the first day of each calendar month, to the extent there are insufficient funds on deposit in the Subordinated Management Fees Fund to make any transfer required pursuant to Section 4.09(d) hereof (but only with respect to transfers required under Section 4.03(c)(i)-(iv) hereof), the Master Trustee shall withdraw, pro rata, from the accounts of the Repair and Replacement Fund and transfer to the Revenue Fund an amount equal to the difference between the amount required to be transferred to the Revenue Fund pursuant to Section 4.09(d) hereof (but only with respect to transfers required under Section 4.03(c)(i)-(iv) hereof) and the amount, if any, actually transferred to the Revenue Fund pursuant to Section 4.09(d).

(e) Investment earnings on amounts on deposit in the accounts of the Repair and Replacement Fund shall be retained in such accounts.

(f) On the last Business Day of the month prior to each Interest Payment Date, the Master Trustee shall transfer all amounts on deposit in the accounts of the Repair and Replacement Fund in excess of the applicable Repair and Replacement Requirement to the Revenue Fund; provided that, the Master Trustee shall retain such additional amounts in the accounts of the Repair

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and Replacement Fund as indicated pursuant to the written direction of the Obligated Group Representative.

(g) Upon the sale or other transfer of a Property to a Person who is not a Member of the Obligated Group in accordance with the terms hereof, the account in the Repair and Replacement Fund designated for such Property may be closed and the funds on deposit therein may be deposited in either (i) one or more of the other accounts in the Repair and Replacement Fund, or (ii) the Revenue Fund, as indicated pursuant to a written direction of the Obligated Group Representative.

Section 4.08. Reserved.

Section 4.09. Reserved.

Section 4.10. Reserved.

Section 4.11. Subordinated Management Fees Fund.

(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Subordinated Management Fees Fund," and within said fund one or more separate accounts as directed by the Obligated Group Representative from time to time, and administer said fund and any such accounts as set forth in this Section 4.11.

(b) The Master Trustee shall deposit into the Subordinated Management Fees Fund, as and when such amounts are received, (i) each month, the amounts required to be deposited from the Revenue Fund into the Subordinated Management Fees Fund pursuant to Section 4.03(c)(xiii) hereof, (ii) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (iii) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) At the written direction of the Obligated Group Representative, the Master Trustee shall transfer and apply amounts on deposit in the Subordinated Management Fees Fund for the payment of Subordinated Management Fees, then due and payable; provided, however, that the transfer of amounts from the Subordinated Management Fees Fund cannot be made until the Obligated Group Representative and the Asset Manager provides a written certification to the Master Trustee that (i) the Obligated Group expects to satisfy the Rate Covenant as of the end of the current Fiscal Year based on current year-to-date operations and (ii) confirming that the Operating Reserve Fund, the Repair and Replacement Fund and each debt service reserve fund established under a Related Bond Indenture is fully funded in accordance with the provisions of this Master Trust Indenture and each Related Bond Indenture.

(d) On the second Business Day immediately preceding the first day of each calendar month, to the extent there are insufficient funds on deposit in the Junior Lien Obligations Fund to make any transfer required pursuant to Section 4.13(d) hereof (but only with respect to transfers required under Section 4.03(c)(i)-(xii) hereof), the Master Trustee shall withdraw from the Subordinated Management Fees Fund and transfer to the Revenue Fund an amount equal to the difference between the amount required to be transferred to the Revenue Fund pursuant to Section

4.13(d) hereof (but only with respect to transfers required under Section 4.03(c)(i)-(xii) hereof) and the amount, if any, actually transferred to the Revenue Fund pursuant to Section 4.13(d).

(e) Investment earnings on amounts on deposit in the Subordinated Management Fees Fund shall be retained therein.

(f) On the last Business Day of the month prior to each Interest Payment Date, the Master Trustee shall transfer all amounts on deposit in the Subordinated Management Fees Fund to the Revenue Fund; provided that, the Master Trustee shall retain such additional amounts in the Subordinated Management Fees Fund as indicated pursuant to the written direction of the Obligated Group Representative.

Section 4.12. Reserved.

Section 4.13. Junior Lien Obligations Fund.

(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Junior Lien Obligations Fund," and within said fund one or more separate accounts as directed by the Obligated Group Representative from time to time, including an Interest Account and a Principal Account, and administer said fund and any such accounts as set forth in this Section 4.13.

(b) (i) The Master Trustee shall deposit into the Interest Account of the Junior Lien Obligations Fund, as and when such amounts are received, (A) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (B) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(ii) The Master Trustee shall deposit into the Principal Account of the Junior Lien Obligations Fund, as and when such amounts are received, (A) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (B) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) Investment earnings on amounts on deposit in the Junior Lien Obligations Fund shall be retained therein.

(d) On the second Business Day immediately preceding the first day of each calendar month, to the extent there are insufficient funds on deposit in the Surplus Fund to make any transfer required pursuant to Section 4.14(d) hereof (but only with respect to transfers required under Section 4.03(c)(i)-(xv) hereof), the Master Trustee shall withdraw (i) first from the Principal Account of the Junior Lien Obligations Fund, and (ii) second from the Interest Account of the Junior Lien Obligations Fund and transfer to the Revenue Fund an amount equal to the difference between the amount required to be transferred to the Revenue Fund pursuant to Section 4.14(d) hereof and the amount, if any, actually transferred to the Revenue Fund pursuant to Section 4.14(d).

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(e) Provided that no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice in accordance with Section 6.13 hereof, on the third (3rd) Business Day prior to each Payment Date, funds shall be transferred from the Interest Account of the Junior Lien Obligations Fund and the Principal Account of the Junior Lien Obligations Fund to the Related Bond Trustee to make Required Payments with respect to Junior Lien Obligations as such payments become due (whether by maturity, redemption, acceleration or otherwise), and, if such amounts shall not be sufficient to pay in full all such payments due on any date, then to the payment of Required Payments with respect to Junior Lien Obligations ratably without any discrimination or preference; provided, however, no transfer pursuant to this subsection (e) shall be permitted unless and until the Obligated Group Representative and the Asset Manager provides a written certification to the Master Trustee that (i) no Event of Default exists under this Master Indenture or any other Obligated Group Document and no Default will exist under this Master Indenture or any other Obligated Group Document following such transfer and (ii) confirming that the Operating Reserve Fund, the Repair and Replacement Fund and each debt service reserve fund established under a Related Bond Indenture is fully funded in accordance with the provisions of this Master Trust Indenture and each Related Bond Indenture.

Section 4.14. Surplus Fund.

(a) The Master Trustee shall establish, maintain and hold in trust a separate fund designated as the "Surplus Fund," and within said fund one or more separate accounts as directed by the Obligated Group Representative from time to time, and administer said fund and such accounts as set forth in this Section 4.14.

(b) The Master Trustee shall deposit into the Surplus Fund, as and when such amounts are received, (i) each month, the amount transferred from the Revenue Fund pursuant to Section 4.03(c)(xviii) hereof, (ii) all amounts delivered by or at the direction of the Obligated Group Representative or the Obligated Group to the Master Trustee for deposit therein, and (iii) any other amounts required to be deposited therein pursuant to this Master Trust Indenture and any Related Supplement.

(c) Investment earnings on amounts on deposit in the Surplus Fund shall be retained therein.

(d) On the second Business Day immediately preceding the first day of each calendar month, the Master Trustee shall withdraw from the Surplus Fund and transfer to the Revenue Fund an amount equal to the difference between the amount on deposit in the Revenue Fund and the amount of all payments to be made therefrom described in Section 4.03(c)(i) through (xvi) coming due during such calendar month; provided that, the Master Trustee shall also at any time transfer such additional amounts to the Revenue Fund as indicated pursuant to the written direction of the Obligated Group.

(e) Provided that (i) no Event of Default shall have occurred or be continuing of which the Master Trustee has received notice in accordance with Section 6.13 hereof and (ii) the Obligated Group Representative and the Asset Manager provides a written certification that (A) the Obligated Group expects to satisfy the Rate Covenant as of the end of the current Fiscal Year based on current year-to-date operations and (B) the Operating Reserve Fund, the Repair and Replacement Fund and each debt service reserve fund established under a Related Bond Indenture is fully funded in accordance with the provisions of this Master Trust Indenture and each Related Bond Indenture, at the direction of Obligated Group Representative and the Asset Manager, which shall be in the form provided in Appendix D hereof and signed by the Obligated Group Representative and the Asset Manager, funds may be (i) withdrawn from the Surplus Fund as directed by the Obligated Group Representative and the Asset Manager for use in supporting the organization and mission of the Borrower and the other Members of the Obligated Group, (ii) transferred to the Principal Account of the Senior Lien Obligations Funds or the Junior Lien Obligations Fund for the redemption of Senior Lien Obligations or Junior Lien Obligations, or (iii) transferred to the Subordinated Management Fees Fund and used to pay any accrued and unpaid Subordinated Management Fees, in each case, commencing on the Business Day after each Interest Payment Date and continuing through (and including) the ninetieth day thereafter. For the avoidance of doubt, funds may only be withdrawn or transferred from the Surplus Fund during the period commencing one Business Day after each Interest Payment Date and continuing though (and including) the ninetieth day thereafter.

Section 4.15. Investment of Moneys.

(a) Except as otherwise provided herein or in a Related Supplemental, all moneys in any of the funds and accounts established pursuant to this Master Trust Indenture and held by the Master Trustee shall be invested by the Master Trustee at the written direction of the Obligated Group Representative solely in Permitted Investments maturing not later than the date on which it is estimated that such moneys will be required for the purposes specified in this Master Trust Indenture. Permitted Investments purchased under any investment agreement may be deemed to mature on the date or dates on which the Master Trustee may redeem such Permitted Investments under such agreement.

(b) The Master Trustee may sell, or present for redemption, any Permitted Investments so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such Investment Security is credited, and, subject to the provisions of this Master Trust Indenture, the Master Trustee shall not be liable or responsible for any loss resulting from any investment made in accordance with provisions of this Master Trust Indenture.

(c) Any Permitted Investments that are registrable securities shall be registered in the name of the Master Trustee.

(d) If the Master Trustee has not received written investment directions from the Obligated Group Representative with respect to any moneys, such moneys shall be deposited in a Permitted Investment satisfying the conditions of (a)(v) of the definition of Permitted Investments, and, to the extent such account is no longer available, such moneys shall be held by the Master Trustee uninvested. All income earned on investments of moneys in the funds and accounts shall be treated as income of the Obligated Group Representative for federal income tax purposes. Permitted Investments shall be marked to market no less often than two times annually, on the last Business Day of the month prior to each Interest Payment Date.

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Section 4.16. Shortfalls. For the avoidance of doubt, this Section 4.16 summarizes the order of priority of funds to be utilized by the Master Trustee in the event of a shortfall in the Revenue Fund as set forth in this Article IV. In the event of a shortfall in the Revenue Fund to make the deposits pursuant to Section 4.03(c)(i) through (xv) hereof, the Master Trustee shall take the following actions in the following order, as necessary: (1) transfer funds from the Surplus Fund pursuant to Section 4.14(d) hereof, (2) transfer funds from the Junior Lien Obligations Fund pursuant to Section 4.13(d) hereof, (3) transfer funds from the Subordinated Management Fees Fund pursuant to Section 4.11(d) hereof, (4) transfer funds from the Repair and Replacement Fund pursuant to Section 4.07(d), and (5) transfer funds from the Operating Reserve Fund pursuant to Section 4.06(d).

Notwithstanding any other provision of this Master Indenture to the contrary relating to the timing for any transfers, deposits and withdrawals from any fund or account hereunder, at any time there is a shortfall in the amount of funds on deposit in any fund or account hereunder, on the Business Day prior to the day funds are needed to be applied from a fund or account, the Master Trustee shall be obligated to recompute and apply any funds available hereunder as if the directions for application were as of such date (i.e., if additional funds are deposited into the Revenue Fund since the most recent application of funds from the Revenue Fund and funds are needed to be applied in order to apply funds to fund any needed payment or deposit, the Master Trustee shall apply such funds).

ARTICLE V

ADDITIONAL COVENANTS, REPRESENTATIONS AND WARRANTIES OF THE OBLIGATED GROUP AND THE OBLIGATED GROUP REPRESENTATIVE

Section 5.01. Limitations on Additional Indebtedness. So long as any Obligations are outstanding, the Obligated Group will not incur any Additional Indebtedness (whether or not incurred through the issuance of Additional Obligations) other than:

(a) Funded Indebtedness, if prior to incurrence thereof or, if such Funded Indebtedness was incurred in accordance with another subsection of this Section 5.01 and any Member wishes to have such Indebtedness classified as having been issued under this subsection (a), prior to such classification, there is delivered to the Master Trustee a Sufficiency Certificate.

(b) Funded Indebtedness for the purpose of refunding (whether in advance or otherwise) any outstanding Funded Indebtedness if prior to the incurrence thereof an Officer's Certificate of a Member is delivered to the Master Trustee stating that, taking into account the issuance of the proposed Funded Indebtedness and the application of the proceeds thereof and any other funds available to be applied to such refunding, the Maximum Annual Debt Service Requirement of the Obligated Group will not be increased by more than 10%, provided that if only a portion of any outstanding Funded Indebtedness is being refunded, such Officer's Certificate shall state that under such assumptions the Maximum Annual Debt Service Requirement of the Obligated Group will not be increased.

(c) Short Term Indebtedness (other than accounts payable under subsection (g) hereof), in a total principal amount which at the time incurred does not, together with the principal amount

of all other such Short Term Indebtedness of the Obligated Group then outstanding under this subsection (c) but excluding the principal payable on all Funded Indebtedness during the next succeeding 12 months and also excluding such principal to the extent that amounts are on deposit in an irrevocable escrow and such amounts (including, where appropriate, the earnings or other increments to accrue thereon) are required to be applied to pay such principal and such amounts so required to be applied are sufficient to pay such principal, exceed 10% of the Gross Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported upon by independent certified public accountants are available; provided, however, that for a period of 20 consecutive calendar days in each Fiscal Year the total amount of such Short Term Indebtedness of the Obligated Group outstanding under this subsection (c) shall be not more than 5% of the Revenues of the Obligated Group during the preceding Fiscal Year plus such additional amount as the Obligated Group Representative certifies in an Officer's Certificate is (i) attributable to Short Term Indebtedness incurred to offset a temporary delay in the receipt of funds due from third party payors, and (ii) in the minimum amount reasonably practicable taking into account such delay. For the purposes of this subsection, Short Term Indebtedness shall not include overdrafts to banks to the extent there are immediately available funds of the Obligated Group sufficient to pay such overdrafts and such overdrafts are incurred and corrected in the normal course of business.

(d) Balloon Indebtedness if:

(1) (A) there is in effect at the time such Balloon Indebtedness is incurred a binding commitment (including without limitation letters or lines of credit or insurance) which may be subject only to commercially reasonable contingencies by a financial institution or bond insurer or surety generally regarded as responsible, to provide financing sufficient to pay the principal amount of such Balloon Indebtedness coming due in each consecutive 12 month period in which 25% or more of the original principal amount of such Balloon Indebtedness comes due; and (B) the conditions set forth in subsection (a) above are met for any Fiscal Year in which 25% or more of the original principal amount of such Balloon Indebtedness comes due when it is assumed that (1) the portion of Balloon Indebtedness coming due in such Fiscal Year matures over 30 years from the date of issuance of the Balloon Indebtedness, bears interest on the unpaid balance at the Projected Rate and is payable on a level annual debt service basis over a period of no more than 30 years, or (2) the portion of Balloon Indebtedness coming due in such Fiscal Year matures according to its actual principal amortization schedule, bears interest on the unpaid balance at the Projected Rate, but this clause (2) shall only be used if the amortization of all Indebtedness of the Obligated Group outstanding, when the Balloon Indebtedness debt service being calculated is calculated according to this subsection (d), varies no more 10% per year; or

(2) the aggregate principal amount of all Balloon Indebtedness issued pursuant to this subsection (d) does not exceed 10% of the Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported upon by independent certified public accountants are available, and the total amount of all Indebtedness outstanding which was issued pursuant to the provisions of this subsection (d)(2), and subsections (c), (e)(3), (k) and (m) shall not exceed 15% of the Revenues of the Obligated

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Group for the most recent Fiscal Year for which financial statements reported on by independent certified public accountants are available; or

(3) the Balloon Indebtedness to be incurred has a remaining term of five years or greater beginning in such Fiscal Year, and

(A) the Member incurring such Balloon Indebtedness establishes in an Officer's Certificate filed with the Master Trustee an amortization schedule for such Balloon Indebtedness, which amortization schedule shall provide for payments of principal and interest for each Fiscal Year that are not less than the amounts required to make any actual payments required to be made in such Fiscal Year by the terms of such Balloon Indebtedness;

(B) such Member agrees in such Officer's Certificate to deposit each Fiscal Year with a bank or trust company (pursuant to an agreement between such Member and such bank or trust company) the amount of principal shown on such amortization schedule net of any amount of principal actually paid on such Balloon Indebtedness during such Fiscal Year (other than from amounts on deposit with such bank or trust company) which deposit shall be made prior to any such required actual payment during such Fiscal Year if the amounts so on deposit are intended to be the source of such actual payments; and

(C) the conditions described in subsection (a) above are met with respect to such Balloon Indebtedness when it is assumed that such Balloon Indebtedness is actually payable in accordance with such amortization schedule.

(e) Put Indebtedness if:

(1) the amount of such Put Indebtedness does not exceed 10% of the Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported upon by independent certified public accountants are available and the conditions set forth in subsection (a) above are met with respect to such Put Indebtedness when it is assumed that (A) such Put Indebtedness bears interest at the Projected Rate and is payable on a level annual debt service basis over a period of no more than 30 years commencing with the next succeeding Put Date, or (B) such Put Indebtedness bears interest at the Projected Rate and is payable according to its actual principal amortization schedule, but this subsection (B) shall only be used if the debt service of all Indebtedness of the Obligated Group outstanding, when the Put Indebtedness debt service being calculated is calculated according to this subsection (B), varies no more than 10% per year;

(2) (A) there is in effect at any time such Put Indebtedness is incurred a binding commitment (including without limitation letters or lines of credit or insurance) which may be subject only to commercially reasonable contingencies by a financial institution or bond insurer or surety generally regarded as responsible, to provide financing sufficient to pay the principal amount of such Put Indebtedness on any Put Date, and (B) the conditions set forth in subsection (a) are met for any Fiscal Year in which 25% or more of the original principal amount of such Put Indebtedness may come due when it is assumed

that (1) the portion of Put Indebtedness which may come due in such Fiscal Year matures over 30 years from the date of issuance of the Put Indebtedness, bears interest on the unpaid balance at the Projected Rate and is payable on a level annual debt service basis over a period of no more than 30 years, or (2) the portion of Put Indebtedness which may come due in such Fiscal Year matures according to its actual principal amortization schedule, bears interest on the unpaid balance at the Projected Rate, but this subsection (2) shall only be used if the amortization of all Indebtedness of the Obligated Group outstanding, when the Balloon Indebtedness debt service being calculated is calculated according to this subsection (2), varies more than 10% per year; or

(3) the aggregate principal amount of all Put Indebtedness issued pursuant to this subsection (f) does not exceed 10% of the Gross Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported on by independent certified public accountants are available, and the total amount of all Indebtedness outstanding which was issued pursuant to the provisions of this subsection (3), and subsections (c), (d)(2), (k) and (m) shall not exceed 15% of the Gross Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported on by independent certified public accountants are available.

(f) Liabilities for contributions to self-insurance or shared or pooled risk insurance programs required or permitted to be maintained under this Master Trust Indenture.

(g) Indebtedness consisting of accounts payable incurred in the ordinary course of business or other Indebtedness not incurred or assumed primarily to assure the repayment of money borrowed or credit extended which Indebtedness is incurred in the ordinary course of business.

(h) Indebtedness incurred in connection with a sale or pledge of accounts receivable with or without recourse by any Member consisting of an obligation to repurchase all or a portion of such accounts receivable upon certain conditions, provided that (i) the principal amount of such Indebtedness permitted hereby shall not exceed the aggregate sale price of such accounts receivable received by such Member, and (ii) the proceeds of such Indebtedness shall be considered Gross Revenues and shall be deposited into the Revenue Fund.

(i) Non-Recourse Indebtedness, without limit.

(j) Indebtedness secured by Property described in subsection (i) of the definition of Permitted Lien.

(k) Subordinated Indebtedness, without limit.

(l) Commitment Indebtedness, without limit.

(m) Indebtedness the principal amount of which at the time incurred, together with the aggregate principal amount of all other Indebtedness then outstanding which was issued pursuant to the provisions of this subsection (m) and which has not been subsequently reclassified as having been issued under another subsection of this Section 5.01, does not exceed 10% of the Gross Revenues of the Obligated Group for the latest preceding Fiscal Year for which financial

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statements reported upon by independent certified public accountants are available; provided, however, that the total amount of all Indebtedness outstanding which was issued pursuant to the provisions of subsections (c), (d)(2), (e)(3), (k) and this subsection (m) shall not exceed 15% of the Gross Revenues of the Obligated Group for the most recent Fiscal Year for which financial statements reported on by independent certified public accountants are available.

(n) Indebtedness in the form of Permitted Investments (to the extent the same constitute Indebtedness), without limit.

It is agreed and understood by the parties hereto that various types of Indebtedness may be incurred under any of the above referenced subsections with respect to which the tests set forth in such subsection are met and need not be incurred under only a subsection specifically referring to such type of Indebtedness (e.g., Balloon Indebtedness and Put Indebtedness may be incurred under subsection (a) above if the tests therein are satisfied).

Each Member covenants that Indebtedness of the type permitted to be incurred under subsection (g) above will not be allowed to become overdue for a period in excess of that which is in the ordinary course of business, based on applicable industry standards and taking into consideration the size and type of the facility, without being contested in good faith and by appropriate proceedings.

Each Member covenants that prior to, or as soon as reasonably practicable after, the incurrence of Indebtedness by such Member for money borrowed or credit extended, or the equivalent thereof, after the Master Trust Indenture Effective Date, it will deliver to the Master Trustee an Officer's Certificate which identifies the Indebtedness incurred, identifies the subsection of this Section 5.01 pursuant to which such Indebtedness was incurred, demonstrates compliance with the provisions of such subsection and attaches a copy of the instrument evidencing such Indebtedness; provided, however, that this requirement shall not apply to Indebtedness incurred pursuant to subsection (f), (g) or (n) of this Section 5.01.

Each Member agrees that, prior to incurring Additional Indebtedness for money borrowed from or credit extended by entities other than issuers of Related Bonds, sellers of real or personal property for purchase money debt, lessors of such property or banks or other institutional lenders, it will provide the Master Trustee with an Opinion of Counsel to the effect that, to such counsel's knowledge, such Member has complied in all material respects with all applicable state and federal laws regarding the sale of securities in connection with the incurrence of such Additional Indebtedness (including the issuance of any securities or other evidences of indebtedness in connection therewith) and such counsel has no reason to believe that a right of rescission under such laws exists on the part of the entities to which such Additional Indebtedness is to be incurred.

Section 5.02. Enforcement of Residency Agreements and Modification of Management Agreements. The Obligated Group shall diligently enforce, and take all reasonable steps, actions and proceedings necessary for the enforcement of, all terms, covenants and conditions of each

Residency Agreement to which it is a party, subject to customary industry practices, including the prompt collection of Gross Revenues.

(b) The Obligated Group may amend or modify, or consent to the amendment or modification of any agreement for asset or property management with respect to Property to which it is a party, including without limitation the Management Agreements and the Asset Management Agreements, in any manner that the Obligated Group deems appropriate provided that an Officer's Certificate shall be delivered to the Master Trustee stating that the amendment or modification of such agreement contemplated shall not have a material adverse effect on the Holders of Obligations then Outstanding.

Section 5.03. Covenant of the Obligated Group Representative. The Obligated Group Representative covenants and agrees that it will not create, assume or suffer to exist any Lien upon (i) the membership interests of the Obligated Group Representative in the other Members of the Obligated Group, or (ii) any rents, money, property or accounts of the Obligated Group, except to the extent permitted hereunder.

Section 5.04. Consolidation, Merger, Sale or Conveyance. Except as provided in Section 3.05, the Obligated Group covenants and agrees not to merge or consolidate with, or sell or convey all or substantially all of its Property to any Person or enter into any other transaction having the effect of a reorganization, liquidation or dissolution.

Section 5.05. Inspection of Books. The Master Trustee shall have the right, but not the obligation, upon reasonable notice, during business hours, to examine and audit any and all of the Obligated Group's records or accounts pertaining to the Obligations, the Required Payments, the Gross Revenues, the Related Bond Indentures, the Related Loan Agreements, the Related Supplements and this Master Trust Indenture.

Section 5.06. Reports and Information. At the request of the Master Trustee, the Obligated Group shall furnish to the Master Trustee such information as may be reasonably requested in writing from time to time relative to compliance by the Obligated Group with the provisions of this Master Trust Indenture including, without limitation, financial statements. The Obligated Group hereby agrees to deliver a copy of its audited financial statements to the Master Trustee not later than the last day of the fifth (5th) month following the end of each fiscal year of the Obligated Group, commencing with the fiscal year ending December 31, 2025.

Section 5.07. Notice. Upon obtaining Actual Knowledge of an event of default under the Obligated Group Documents, the Obligated Group Representative hereby agrees promptly to provide to the Master Trustee notice of such event of default (such notice to include a description of the nature of such event and what steps are being taken to remedy such event of default).

Section 5.08. Books and Records. The Obligated Group covenants and agrees that it will maintain, in accordance with Generally Accepted Accounting Principles, proper records and books of accounts in which complete and correct entries shall be made (said books shall be subject to the inspection of the Master Trustee during regular business hours after reasonable notice).

Section 5.09. Number of Units in the Properties. The Obligated Group covenants and agrees that it will promptly update Appendix F attached hereto (Units in the Properties) whenever

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the number of units in the Properties changes for any reason (including, without limitation, as the result of the acquisition or disposition of a Property).

Section 5.10. Enforcement of Material Covenants. The Obligated Group shall diligently enforce, and take all commercially reasonable steps, actions and proceedings necessary for the enforcement of, all material terms, covenants and conditions of each Project Document to which it is a party, including the prompt collection of Gross Revenues.

Section 5.11. Compliance with Obligations under Project Documents; Termination of Management Agreements and Asset Management Agreements. The Obligated Group shall comply with all obligations under the Project Documents in all material respects, and at all times shall cause Management Agreements and Asset Management Agreements to be in effect covering each Property. The Obligated Group may not terminate a Management Agreement or an Asset Management Agreement for convenience unless the Obligated Group shall also cause a new Management Agreement or a new Asset Management Agreement covering such Property to be effective as of the date of such termination. Notwithstanding the above, no replacement Management Agreement or Asset Management Agreement, as applicable, will be required so long as no Event of Default has occurred and is continuing and the Obligated Group Representative delivers a report from an Independent Consultant concluding that the Obligated Group has the capability to self-manage the Property.

Section 5.12. Good Standing. The Obligated Group is and shall remain duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized, has full legal right, power and authority to enter into the Obligated Group Documents and the Project Documents to which it is a party, and to carry out all of its obligations under and consummate all transactions contemplated by the Obligated Group Documents and the Project Documents to which it is a party, and by proper corporate action has duly authorized the execution, delivery and performance of the Obligated Group Documents and the Project Documents to which it is a party. The Obligated Group has and shall maintain all licenses necessary to carry on its business and no such licenses have been revoked or suspended.

Section 5.13. Compliance with Insurance Requirements. The Obligated Group shall comply with all insurance requirements under the Project Documents and the Obligated Group Documents.

Section 5.14. Maintenance of Accounts. The Obligated Group shall maintain or cause to be maintained each of the funds and accounts in accordance with the Obligated Group Documents.

Section 5.15. Tax-Exempt Status. The Obligated Group shall comply with the requirements of each tax certificate or arbitrage agreement for any Related Bonds that are Tax-Exempt Bonds and maintain its status as an organization exempt from federal income tax under Section 501(a) of the Code due to being described in Section 501(c)(3) of the Code, or as a single member limited liability company that is disregarded for federal tax purposes, whose sole member is an organization exempt from federal income tax under Section 501(a) of the Code due to being described in Section 501(c)(3) of the Code.

Section 5.16. Engaging Auditors. The Obligated Group shall engage an Accountant to prepare its annual audited financial statements.

Section 5.17. Delivery of Project Documents. The Obligated Group shall deliver to the Master Trustee copies of all Project Documents entered into after the Master Trust Indenture Effective Date.

Section 5.18. Further Assurances. The Obligated Group shall cooperate with reasonable written requests from the Master Trustee for further assurances with respect to the security interest in the Pledged Assets.

Section 5.19. Compliance with Obligated Group Documents, Governmental Approvals, and Industry Standards. The Obligated Group shall take all necessary actions to cause each Property to be owned or leased, constructed, and operated in all material respects in accordance with (a) the Obligated Group Documents, (b) material governmental approvals, and (c) prudent industry standards.

Section 5.20. Notices to the Master Trustee. The Obligated Group Representative and the Obligated Group shall provide the Master Trustee with written notice within five (5) Business Days after the Obligated Group Representative or the Obligated Group obtains Actual Knowledge of any of the following:

(a) Any Default or Event of Default;

(b) Casualty, loss or damage, or condemnation or eminent domain taking, with respect to the Property in excess of $2,000,000 in value or any series of such events or circumstances during any twelve-month period in excess of $5,000,000 in value in the aggregate.

(c) Litigation or similar proceeding involving an amount in excess of $2,000,000 that would reasonably be expected to have a material adverse effect on the operations or financial condition of the Obligated Group taken as a whole or involving injunctive or declaratory relief.

(d) Written dispute, litigation, investigation or proceeding between any governmental authority and the Obligated Group or any other party to a Project Document that would reasonably be expected to have a material adverse effect on the operations or financial condition of the Obligated Group taken as a whole or would result in the closure or suspension of operations at any Property.

(e) Termination or cancellation of, or amendment to, any of the Project Documents.

(f) Any written notice of the occurrence of any event giving rise to a claim in an amount in excess of $1,000,000 under any insurance policy.

(g) Any single disposition of the Obligated Group's assets or properties with a value of more than $1,000,000 or any disposition of the Obligated Group's assets or properties that, when combined with dispositions occurring within the past 12 months, is more than $5,000,000 in the aggregate.

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(h) Any ERISA Event or any other event or circumstance that would reasonably be expected to result in a material liability of the Obligated Group under ERISA or under the Code with respect to any Plan, Multiemployer Plan or post-retirement welfare benefit plan.

(i) Any lien or claim known to the Obligated Group against the Pledged Assets, except for Permitted Liens.

(j) Any written notice indicating that any material governmental approval with respect to any Property will not be granted or renewed or will be granted or renewed on materially more burdensome terms.

(k) Any event or circumstance affecting any of the parties to the Project Documents that would reasonably be expected to materially impair the ability of such party to perform its obligations under the related Project Document.

(l) Any force majeure event (together with a description of such event) reasonably expected to exceed ten (10) consecutive days if it would reasonably if it would reasonably be expected to have a material adverse effect on the operation of any Property.

(m) Any cancellation or material change in the terms, coverage or amounts of any material insurance policy, unless such cancelled insurance policy is reinstated prior to expiration of the relevant insurance policy.

(n) Receipt from applicable governmental authorities of written allegations of non-compliance with environmental laws or approvals that would reasonably be expected to result in losses to the Obligated Group in excess of $2,000,000.

(o) Any other event that would reasonably be expected to have a material adverse effect on the operations or financial condition of the Obligated Group (together with a description of any proposed action).

Section 5.21. Notices to be Delivered under the Project Documents. The Obligated Group Representative shall deliver to the Master Trustee copies of all material written notices under a Project Document other than the documents delivered in the ordinary course of administering the Project Documents. The Master Trustee shall hold any such documents as a repository for the benefit of the Holders but shall have no obligation to review or interpret any such documents.

Section 5.22. Delivery of Governmental Approvals. The Obligated Group Representative shall deliver to the Master Trustee copies of all material governmental approvals (that were not previously delivered). The Master Trustee shall hold any such documents as a repository for the benefit of the Holders but shall have no obligation to review or interpret any such documents.

Section 5.23. Absence of Liens. The Obligated Group covenants and agrees that there are no liens, and that it will not suffer to exist any liens, on any of its assets or revenues, except for Permitted Liens.

Section 5.24. Business Activities. The Obligated Group covenants and agrees that it shall not conduct business activities other than those related to the Property and the operation of the Obligated Group's business on Property, and that the Obligated Group has no other subsidiaries.

Section 5.25. No Acquisition of Equity Interests. Except as otherwise permitted herein in Section 3.13, the Obligated Group agrees not to acquire any equity interest in any Person.

Section 5.26. Reserved.

Section 5.27. Agreements with Affiliates. The Obligated Group covenants and agrees that it shall not enter into any agreement with an affiliate, unless entered into in the ordinary course of business on arm's length terms.

Section 5.28. Investment in Equity or Debt Securities. The Obligated Group covenants and agrees that it shall not invest or cause to be invested any money held in any fund or account created under any Obligated Group Document in any instruments other than Permitted Investments.

Section 5.29. Tax-Exempt Debt. The Obligated Group covenants and agrees that it shall not take any action that would jeopardize the tax-exempt status of the Tax-Exempt Bonds.

Section 5.30. Retirement Plans. The Obligated Group covenants and agrees that it shall not establish or incur any liability under a Plan, Multiemployer Plan or post-retirement welfare plan.

Section 5.31. Change in Fiscal Year. The Obligated Group covenants and agrees that it shall not make any change to its Fiscal Year or accounting other than as permitted or required by Generally Accepted Accounting Principles. If the Obligated Group changes its Fiscal Year, the Obligated Group Representative shall provide notice of such change on EMMA.

Section 5.32. No Margin Stock and Compliance with Regulations. The Obligated Group hereby covenants and agrees that it shall not use proceeds of Related Bonds to make any purchases of margin stock or carry margin stock. The Obligated Group hereby represents and warrants that it is in compliance with Regulations T (Code of Federal Regulations, Title 12, Chapter II, Subchapter A, Part 220), U (Code of Federal Regulations, Title 12, Chapter II, Subchapter A, Part 221), and X (Code of Federal Regulations, Title 12, Chapter II, Subchapter A, Part 224).

Section 5.33. No Dividends or Distributions. The Obligated Group covenants and agrees not to make or pay any dividends or distributions except as permitted by the Obligated Group Documents.

Section 5.34. Abandonment of Property. The Obligated Group covenants and agrees that it shall not abandon any of the Property.

Section 5.35. Compliance with Laws. The Obligated Group covenants and agrees that it shall not violate any government rule, government approval, or other law, including environmental laws and anti-terrorism and anti-money laundering laws, other than noncompliance which would

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not reasonably be expected to have a material adverse effect on the Obligated Group taken as a whole.

Section 5.36. Substitutions under Project Documents. The Obligated Group covenants and agrees that it shall not grant any permission to any counterparty of a Project Document to, diminish or cancel any security, letter of credit or guarantee supporting such counterparty's obligations thereunder unless it replaces such security, letter of credit or guarantee with an obligation of equivalent value.

Section 5.37. Reserved.

Section 5.38. Enforceability of Obligated Group Documents and Project Documents. The Obligated Group covenants and agrees that, assuming due authorization, execution and delivery by the other parties thereto, each of the Obligated Group Documents and Project Documents to which the Obligated Group is a party (except any Bond Purchase Agreement relating to Related Bonds), shall constitute the legal, valid and binding agreements of the Obligated Group enforceable against the Obligated Group in accordance with their respective terms.

Section 5.39. No Litigation. The Obligated Group hereby represents and warrants that as of the Master Trust Indenture Effective Date, and covenants and agrees that on the date of issuance of any Obligations it shall deliver a Certificate to the Master Trustee substantially to the effect that, there is no action, suit, proceeding, inquiry or investigation, pending, or to the Actual Knowledge of the Obligated Group, threatened, against or affecting the Obligated Group or the Property, properties or operations of the Obligated Group which, if determined adversely to the Obligated Group or its interests, would be reasonably expected to have a material adverse effect on the operations or financial condition of the Obligated Group taken as a whole or upon the consummation of the transactions contemplated hereby.

Section 5.40. Valid Title. The Obligated Group covenants and agrees that it shall have and maintain good, valid and sufficient title to all assets, rights or interests necessary to maintain and operate the Property free and clear of all liens except Permitted Liens.

Section 5.41. Governmental Approvals. The Obligated Group covenants and agrees that it shall receive all material governmental approvals to acquire the Project required to be obtained, and that all such governmental approvals shall be in full force and effect, free from conditions or requirements that would reasonably be expected to have a material adverse effect on the operations or financial condition of the Obligated Group and that, with respect to any governmental approvals obtained or required to be obtained prior to the date of issuance of any Obligations, such approvals shall be final and non-appealable.

Section 5.42. No Default or Event of Default. The Obligated Group covenants and agrees that it shall not cause to exist any Default or Event of Default under this Master Trust Indenture.

Section 5.43. No ERISA Event. The Obligated Group covenants and agrees that no ERISA Event shall occur and that no Plan, Multiemployer Plan, or post-retirement welfare plans shall be sponsored by the Obligated Group.

Section 5.44. No Violation of Government Rules or Contractual Obligations. The Obligated Group covenants and agrees that it shall not violate any material governmental rule or contractual obligation.

Section 5.45. No Subsidiaries. Other than as permitted in Section 3.13, the Obligated Group covenants and agrees that it shall not create or cause to be created any other subsidiaries.

Section 5.46. Not an Investment Company. The Obligated Group is not and shall not be an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

Section 5.47. [Reserved].

Section 5.48. No Indebtedness. The Obligated Group covenants and agrees that it shall not incur any Indebtedness other than Indebtedness permitted to be incurred pursuant to Section 5.01 hereof.

Section 5.49. No Insolvency. The Obligated Group covenants and agrees that it shall not become insolvent.

Section 5.50. Name Change; Place of Business. The Obligated Group covenants and agrees that it shall not use any trade name, and shall not do business under any name other than as set forth on Appendix E attached hereto. The principal place of business of the Obligated Group is its primary address for notices as set forth in Section 10.09 hereof (as such address may be amended from time to time in accordance herewith), and the Obligated Group shall not maintain any other principal place of business.

Section 5.51. No Force Majeure. The Obligated Group hereby represents and warrants that as of the Master Trust Indenture Effective Date, and covenants and agrees that on the date of issuance of any Obligations it shall deliver a Certificate to the Master Trustee substantially to the effect that, no force majeure event currently exists which has continued for such a period of time that would reasonably be expected to permit termination of a Project Document or have a material adverse effect on the financial condition of the Obligated Group taken as a whole.

Section 5.52. Direct and Unconditional Obligations to Pay Debt Service. The Obligated Group covenants and agrees that all obligations to pay debt service with respect to Related Senior Lien Bonds under the Obligated Group Documents shall be direct and unconditional obligations of the Obligated Group that rank at least *pari passu* with all Senior Lien Obligations. The Obligated Group covenants and agrees that all obligations to pay debt service with respect to Related Junior Lien Bonds under the Obligated Group Documents shall be direct and unconditional obligations of the Obligated Group that rank at least *pari passu* with all Junior Lien Obligations.

Section 5.53. No Material Casualty or Condemnation. The Obligated Group hereby represents and warrants that as of the Master Trust Indenture Effective Date, and covenants and agrees that on the date of issuance of any Obligations it shall deliver a Certificate to the Master Trustee substantially to the effect that, no casualty or condemnation of all or part of the Property has occurred or is threatened or pending that would reasonably be expected to have a material adverse effect on the financial condition of the Obligated Group taken as a whole.

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Section 5.54. Valid Liens. The Obligated Group covenants and agrees that the liens created by the Obligated Group Documents and the Project Documents to which it is a party shall be valid liens.

Section 5.55. Accuracy of Representations and Warranties. The Obligated Group hereby represents and warrants that the representations and warranties made by the Obligated Group in this Article V and in the Obligated Group Documents and the Project Documents to which it is a party are complete and accurate.

Section 5.56. Adequate Insurance. The Obligated Group hereby represents and warrants that the insurance required by Section 3.04 hereof is adequate to insure the Obligated Group and the Properties, and covenants and agrees that all premiums with respect thereto shall be paid.

ARTICLE VI

DEFAULTS

Section 6.01. Events of Default. Event of Default, as used herein, means any of the following events:

(a) Failure on the part of the Obligated Group to make due and punctual payment of any Required Payment on an Obligation.

(b) Failure on the part of the Obligated Group to provide the insurance required by Section 3.04 hereof.

(c) Failure on the part of the Obligated Group to observe and perform any covenant or agreement under this Master Trust Indenture including covenants or agreements contained in any Related Supplement or Obligation (other than as referred to in Section 6.01(a) or (b) above) or failure on the part of the Obligated Group to observe and perform any covenant or agreement under any other Obligated Group Document for a period of 60 days after the date on which written notice of such failure specifying such default and requiring the same to be remedied, shall have been given to the Obligated Group Representative by the Master Trustee or to the Obligated Group Representative and the Master Trustee by the Controlling Party except that, in each case, if such failure can be remedied but not within such 60-day period, such failure shall not become an Event of Default for so long as the Obligated Group or the Obligated Group Representative shall commence such cure within such 60-day period and diligently proceeds to remedy the same within 180 days of the commencement of such cure.

(d) A court having jurisdiction shall enter a decree or order for relief in respect of the Obligated Group in an involuntary case under any applicable federal or state bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee or similar official of the Obligated Group or for any substantial part of the property of the Obligated Group, or ordering the winding up or liquidation of its affairs, and such decree or order shall remain unstayed and in effect for a period of 90 consecutive days.

(e) The Obligated Group shall commence a voluntary case under any applicable federal or state bankruptcy, insolvency or other similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian or similar official of the Obligated Group or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due or shall take any corporate action in furtherance of the foregoing.

(f) The Obligated Group shall have defaulted on its obligations under any Related Loan Agreement and, as a result, an Event of Default (as defined in any Related Bond Indenture) shall exist and be continuing under any Related Bond Indenture and any applicable notice and/or cure period shall have expired.

(g) There is an inaccuracy of any representation or warranty made in any Obligated Group Document or other document delivered by the Obligated Group and such inaccuracy has resulted or would reasonably be expected to result in a material adverse effect on the operations or financial condition of the Obligated Group taken as a whole.

(h) Abandonment by the Obligated Group of any Mortgaged Property, other than following a force majeure event.

(i) Non-payment by the Obligated Group of a final judgment in an aggregate amount in excess of $500,000 subject to stay and bonding.

(j) The occurrence of a lapse of effectiveness of liens on the Pledged Assets granted in favor of the Master Trustee.

(k) The occurrence of an ERISA Event.

(l) The use or withdrawal by the Obligated Group of funds on deposit in any fund or account other than as permitted by the Obligated Group Documents.

(m) The occurrence of a casualty, loss or damage event or condemnation event with respect to all or substantially all of the Property.

Section 6.02. Acceleration; Annulment of Acceleration.

(a) Upon the occurrence and during the continuation of an Event of Default hereunder, the Master Trustee may and, upon (i) the written request of the Controlling Party or of any Holder if an Event of Default under Section 6.01(a) hereof has occurred, (ii) the acceleration of any Obligation pursuant to the terms of the Related Supplement under which such Obligation was issued, or (iii) the occurrence of an Event of Default under Section 6.01(c) or (d), shall, by notice to the Obligated Group, declare all Outstanding Obligations immediately due and payable, whereupon such Obligations shall become and be immediately due and payable, anything in the Obligations or herein to the contrary notwithstanding; provided, however, that if the terms of any Related Supplement give a person the right to consent to acceleration of the Obligations issued pursuant to such Related Supplement, the Obligations issued pursuant to such Related Supplement may not be accelerated by the Master Trustee unless such consent is properly obtained pursuant to the terms of such Related Supplement. In such event, there shall be due and payable on the

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Obligations an amount equal to the aggregate Principal Amount of all such Obligations, plus all interest accrued thereon.

(b) At any time after the principal of the Obligations shall have been so declared to be due and payable and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, if (i) the Obligated Group has paid or caused to be paid or deposited with the Master Trustee moneys sufficient to pay all matured installments of interest and interest on installments of principal and interest and principal or redemption prices and other payments then due (other than the principal or other payments then due only because of such declaration) on all Outstanding Obligations, (ii) the Obligated Group has paid or caused to be paid or deposited with the Master Trustee moneys sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Master Trustee and any paying agents, (iii) all other amounts then payable by the Obligated Group hereunder shall have been paid or a sum sufficient to pay the same shall have been deposited with the Master Trustee, and (iv) every Event of Default (other than a default in the payment of the principal or other payments of such Obligations then due only because of such declaration) shall have been remedied, then the Controlling Party may annul such declaration and its consequences with respect to any Obligations or portions thereof not then due by their terms. No such annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

Section 6.03. Additional Remedies and Enforcement of Remedies.

(a) Upon the occurrence and continuance of any Event of Default, the Master Trustee may, and upon the request of (i) the Controlling Party, (ii) any Holder which, pursuant to a Related Supplement, is given the right to require the Master Trustee to institute actions pursuant to this Section 6.03(a), or (iii) any Holder if an Event of Default under Section 6.01(a) hereof has occurred, shall upon the indemnification of the Master Trustee to its satisfaction therefor, proceed forthwith to protect and enforce its rights and the rights of the Holders hereunder by such suits, actions or proceedings as the Master Trustee, being advised by counsel, shall deem expedient, including but not limited to:

(i) Enforcement of the right of the Holders to collect and enforce the payment of amounts due or becoming due under the Obligations;

(ii) Suit upon all or any part of the Obligations;

(iii) Civil action to require any Person holding moneys, documents or other property pledged to secure payment of amounts due or to become due on the Obligations to account as if it were the trustee of an express trust for the Holders of Obligations;

(iv) Civil action to enjoin any acts or things, which may be unlawful or in violation of the rights of the Holders of Obligations;

(v) Exercise any and all remedies under the Mortgages; and

(vi) Enforcement of any other right or remedy of the Holders conferred by law or hereby.

(b) Regardless of the occurrence of an Event of Default, the Master Trustee, if requested in writing by the Controlling Party, shall, upon being indemnified to its satisfaction therefor, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient (i) to prevent any impairment of the security hereunder by any acts which may be unlawful or in violation hereof, or (ii) to preserve or protect the interests of the Holders, provided that such request and the action to be taken by the Master Trustee are not in conflict with any applicable law or the provisions hereof and, in the sole judgment of the Master Trustee, not unduly prejudicial to the interest of the Holders of Obligations not making such request, it being understood that (subject to Section 7.01) the Master Trustee shall have no duty or obligation to determine whether or not such action or forbearance may be unduly prejudicial to such Holders.

Section 6.04. Application of Gross Revenues and Other Moneys after Default. During the continuance of an Event of Default all moneys received by the Master Trustee pursuant to any right given or action taken under the provisions of this Article, together with all amounts held by the Master Trustee hereunder, after payment in the following order of priority of (i) the outstanding fees of the Master Trustee, the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses and advances incurred or made by the Master Trustee with respect thereto, including fees, expenses and advances of its attorneys, agents and advisors and after payment of all other amounts owed to the Master Trustee hereunder, (ii) fees, costs and expenses of any Related Bond Trustee, (iii) costs and expenses of any Related Bond Issuer and Related Bond Issuer indemnified persons under a Related Bond Indenture or Related Loan Agreement and any other payments due them in respect of the Reserved Rights (as defined in such Related Bond Indenture) (including, without limitation, indemnification payments); provided, that payment of the amounts due to such Related Bond Issuer or the Related Bond Issuer indemnified persons under this Section shall not absolve the Obligated Group from liability therefor except to the extent of the amounts received from the Master Trustee, and (iv) in the sole discretion of the Master Trustee, the payment of the expenses of operating the Mortgaged Property, shall be applied as follows:

(a) Unless the principal of all Outstanding Obligations shall have become or have been declared due and payable:

First: To the payment to the Persons entitled thereto of all installments of interest or the interest portion related to payments then due on the Senior Lien Obligations in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon to the Persons entitled thereto, without any discrimination or preference;

Second: To the payment to the Persons entitled thereto of the unpaid Principal Amounts or portions thereof of any Senior Lien Obligations which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all the Senior Lien Obligations due on any date, then to the payment thereof ratably, according to the Principal Amounts or portions thereof due on such date, to the Persons entitled thereto, without any discrimination or preference;

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Third: To the payment to the Persons entitled thereto of all installments of interest or the interest portion related to payments then due on the Junior Lien Obligations in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon to the Persons entitled thereto, without any discrimination or preference;

Fourth: To the payment to the Persons entitled thereto of the unpaid Principal Amounts or portions thereof of any Junior Lien Obligations which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all the Junior Lien Obligations due on any date, then to the payment thereof ratably, according to the Principal Amounts or portions thereof due on such date, to the Persons entitled thereto, without any discrimination or preference.

(b) If the principal of all Outstanding Obligations shall have become or have been declared due and payable:

(i) First, to the payment of the principal and interest and other payments then due and unpaid upon the Senior Lien Obligations without preference or priority, or of any installment over any other installment, or of any Senior Lien Obligation over any other Senior Lien Obligation, ratably, according to the amounts due, to the Persons entitled thereto without any discrimination or preference; and

(ii) Second, to the payment of the principal and interest and other payments then due and unpaid upon the Junior Lien Obligations without preference or priority, or of any installment over any other installment, or of any Junior Lien Obligation over any other Junior Lien Obligation, ratably, according to the amounts due, to the Persons entitled thereto without any discrimination or preference.

(c) If the principal of all Outstanding Obligations shall have been declared due and payable, and if such declaration shall thereafter be rescinded and annulled under the provisions of this Article, then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all Outstanding Obligations shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of paragraph (a) of this Section.

Whenever moneys are to be applied by the Master Trustee pursuant to the provisions of this Section, such moneys shall be applied by it at such times, and from time to time, as the Master Trustee shall determine, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Master Trustee shall apply such moneys, it shall fix the date upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Master Trustee shall give such notices as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Holder of any unpaid Obligation until such Obligation and all unmatured coupons, if any, appertaining to such Obligation shall be presented to the Master Trustee for appropriate endorsement of any partial payment or for cancellation if fully paid.

Whenever all Obligations and interest thereon have been paid under the provisions of this Section and all expenses and charges of the Master Trustee have been paid, any balance remaining shall be paid to the Person entitled to receive the same; if no other Person shall be entitled thereto, then the balance shall be paid to the Obligated Group, its successors, or as a court of competent jurisdiction may direct.

Section 6.05. Remedies Not Exclusive. No remedy by the terms hereof conferred upon or reserved to the Master Trustee or the Holders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or existing at law or in equity or by statute on or after the date hereof.

Section 6.06. Remedies Vested in the Master Trustee. All rights of action (including the right to file proof of claims) hereunder or under any of the Obligations may be enforced by the Master Trustee without the possession of any of the Obligations or the production thereof in any trial or other proceedings relating thereto. Any such suit or proceeding instituted by the Master Trustee may be brought in its name as the Master Trustee without the necessity of joining as plaintiffs or defendants any Holders of the Obligations. Subject to the provisions of Section 6.04 hereof, any recovery or judgment shall be for the equal benefit of the Holders of the Outstanding Obligations.

Section 6.07. Master Trustee to Represent Holders. The Master Trustee is hereby irrevocably appointed (and the successive respective Holders of the Obligations, by taking and holding the same, shall be conclusively deemed to have so appointed the Master Trustee) as trustee and true and lawful attorney-in-fact of the Holders of the Obligations for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to such Holders under the provisions of the Obligations, this Master Trust Indenture, and applicable provisions of any other law. Upon the occurrence and continuance of an Event of Default or other occasion giving rise to a right in the Master Trustee to represent the Holders, the Master Trustee in its discretion may, and upon the written direction of the Controlling Party, and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of such Holders by such appropriate action, suit, mandamus or other proceedings as it shall deem most effectual to protect and enforce any such right, at law or in equity, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable right or remedy vested in the Master Trustee or in such Holders under this Master Trust Indenture, or any other law; and upon instituting such proceeding, the Master Trustee shall be entitled, as a matter of right, to the appointment of a receiver of the assets pledged under this Master Trust Indenture, pending such proceedings. All rights of action under this Master Trust Indenture or the Obligations or otherwise may be prosecuted and enforced by the Master Trustee without the possession of any of the Obligations or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding instituted by the Master Trustee shall be brought in the name of the Master Trustee for the benefit and protection of all the Holders of such Obligations, subject to the provisions of this Master Trust Indenture.

Section 6.08. Holders' Control of Proceedings. If an Event of Default shall have occurred and be continuing, notwithstanding anything herein to the contrary, the Controlling Party shall have the right, at any time, by any instrument in writing executed and delivered to the Master

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Trustee, to direct the method and place of conducting any proceeding to be taken in connection with the enforcement of the terms and conditions hereof or for the appointment of a receiver or any other proceedings hereunder, provided that such direction is not in conflict with any applicable law or the provisions hereof (including indemnity to the Master Trustee as provided herein) and, in the sole judgment of the Master Trustee, is not unduly prejudicial to the interest of Holders not joining in such direction (it being understood that (subject to Section 7.01) the Master Trustee shall have no duty or obligation to determine whether or not such action or forbearance may be unduly prejudicial to such Holders) and provided further that nothing in this Section shall impair the right of the Master Trustee in its discretion to take any other action hereunder which it may deem proper and which is not inconsistent with such direction by Holders.

Section 6.09. Termination of Proceedings. In case any proceeding taken by the Master Trustee on account of an Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Master Trustee or to the Holders, then the Obligated Group, the Master Trustee and the Holders shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Master Trustee and the Holders shall continue as if no such proceeding had been taken.

Section 6.10. Waiver of Event of Default.

(a) No delay or omission of the Master Trustee or of any Holder to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein. Every power and remedy given by this Article to the Master Trustee and the Holders of the Obligations, respectively, may be exercised from time to time and as often as may be deemed expedient by them.

(b) The Master Trustee may waive any Event of Default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions hereof, or before the completion of the enforcement of any other remedy hereunder.

(c) Notwithstanding anything contained herein to the contrary, the Master Trustee, upon the written request of the Controlling Party, shall waive any Event of Default hereunder and its consequences; provided, however, that, except under the circumstances set forth in subsection (b) of Section 6.02 hereof, a default in the payment of the principal of, premium, if any, or interest on or other payment with respect to any Obligation, when the same shall become due and payable by the terms thereof or upon call for redemption, may not be waived without the written consent of the Holders of all the Obligations at the time Outstanding.

(d) In case of any waiver by the Master Trustee of an Event of Default hereunder, the Obligated Group, the Master Trustee and the Holders shall be restored to their former positions and rights hereunder, respectively, but no such waiver shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

Section 6.11. Appointment of Receiver. Upon the occurrence of any Event of Default unless the same shall have been waived as herein provided, the Master Trustee shall be entitled as

a matter of right if it shall so elect, (a) forthwith and without declaring the Obligations to be due and payable, (b) after declaring the same to be due and payable, or (c) upon the commencement of an action to enforce the specific performance hereof or in aid thereof or upon the commencement of any other judicial proceeding to enforce any right of the Master Trustee or the Holders, to the appointment of a receiver or receivers of any or all of the Property of the Obligated Group with such powers as the court making such appointment shall confer. The Obligated Group hereby consents and agrees, and will if requested by the Master Trustee, consent and agree at the time of application by the Master Trustee for appointment of a receiver, to the appointment of such receiver and that such receiver may be given the right, power and authority, to the extent the same may lawfully be given, to take possession of and operate and deal with such Property and the revenues, profits and proceeds therefrom, with like effect as the Obligated Group could do so, and to borrow money and issue evidences of indebtedness as such receiver.

Section 6.12. Remedies Subject to Provisions of Law. All rights, remedies and powers provided by this Article may be exercised only to the extent that the exercise thereof does not violate any applicable provision of a law, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling and to be limited to the extent necessary so that they will not render this instrument or the provisions hereof invalid or unenforceable under the provisions of any applicable law.

Section 6.13. Notice of Default. The Master Trustee shall not be deemed to have notice of any default or Event of Default hereunder except if a Responsible Officer has Actual Knowledge or has received written notice of such default or Event of Default. The Master Trustee shall, within 10 days after a Responsible Officer of the Master Trustee has Actual Knowledge or has received written notice of the occurrence of an Event of Default, mail to all Holders (as the names and addresses of such Holders appear upon the books of the Master Trustee), notice of such Event of Default known to the Master Trustee, unless such Event of Default shall have been cured before the giving of such notice; and provided that, except in the case of default in the payment of the principal of or premium, if any, or interest or other payments on any of the Obligations and the Events of Default specified in subsections (c) and (d) of Section 6.01, the Master Trustee shall be protected in withholding such notice if and so long as the Master Trustee in good faith determine that the withholding of such notice is in the interests of the Holders of Obligations.

ARTICLE VII

THE MASTER TRUSTEE

Section 7.01. Certain Duties and Responsibilities.

(a) Except during the continuance of an Event of Default:

(i) The Master Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Master Trust Indenture, and no implied covenant or obligation shall be read into this Master Trust Indenture against the Master Trustee; and

(ii) In the absence of bad faith on its part, the Master Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein,

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upon Certificates or opinions furnished to the Master Trustee and conforming to the requirements of this Master Trust Indenture; but in the case of any such Certificates or opinions which by any provision hereof are specifically required to be furnished to the Master Trustee, the Master Trustee shall be under a duty to examine the same to determine whether or not they conform on their face to the requirements of this Master Trust Indenture as to form.

(b) In case an Event of Default has occurred and is continuing, the Master Trustee shall exercise such of the rights and powers vested in it by this Master Trust Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under similar circumstances.

(c) No provision of this Master Trust Indenture shall be construed to relieve the Master Trustee from liability for its own grossly negligent action, its own grossly negligent failure to act, or its own willful misconduct, except that:

(i) this Subsection shall not be construed to limit the effect of Subsection (a) of this Section;

(ii) the Master Trustee shall not be liable for any error of judgment made in good faith by a chair or vice-chair of the board of directors, the chair or vice-chair of the executive committee of the board of directors, the president, any vice president, the secretary, any assistant secretary, the treasurer, any assistant treasurer, the cashier, any assistant cashier, any trust officer or assistant trust officer, the controller and any assistant controller or any other officer of the Master Trustee customarily performing functions similar to those performed by any of the above designated officers or with respect to a particular matter, or any other officer to whom such matter is referred because of his knowledge or any familiarity with the particular subject, unless it shall be proved that the Master Trustee was grossly negligent in ascertaining the pertinent facts;

(iii) the Master Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Controlling Party relating to, or in exercising, the timing, method and place of conducting any proceeding for any remedy available to the Master Trustee, or exercising any trust or power conferred upon the Master Trustee, under this Master Trust Indenture; and

(iv) no provision of this Master Trust Indenture or the Obligated Group Documents shall require the Master Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or thereunder, or in the exercise of any of its rights or powers, unless the Master Trustee shall have received security and indemnity satisfactory to it against loss, liability or expense.

(d) Whether or not therein expressly so provided, every provision of this Master Trust Indenture relating to the conduct or affecting the liability of or affording protection to the Master Trustee shall be subject to the provisions of this Section.

Section 7.02. Certain Rights of Master Trustee. Subject to Section 7.01:

(a) The Master Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, obligation or other paper or documents believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) Any request or direction of the Obligated Group or the Obligated Group Representative mentioned herein shall be sufficiently evidenced by an Officer's Certificate and any action of the Governing Body may be sufficiently evidenced by a copy of a resolution certified by the secretary or an assistant secretary of the Obligated Group or the Obligated Group Representative, as applicable, to have been duly adopted by the Governing Body and to be in full force and effect on the date of such certification and delivered to the Master Trustee.

(c) Whenever in the administration of this Master Trust Indenture the Master Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Master Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, request and conclusively rely upon an Officer's Certificate.

(d) The Master Trustee may consult with counsel, and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon. In no event shall the Master Trustee be responsible or liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Master Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(e) The Master Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Master Trust Indenture or the Obligated Group Documents at the request or direction of any of the Holders pursuant to this Master Trust Indenture, unless such Holders shall have offered to the Master Trustee security or indemnity acceptable to the Master Trustee against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

(f) The Master Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, obligation or other paper or document, but the Master Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Master Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Obligated Group Representative or the Obligated Group, personally or by agent or attorney.

(g) The Master Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Master Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

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(h) The Master Trustee shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized within the discretion or rights or powers conferred upon it by this Master Trust Indenture. In no event shall the Master Trustee be responsible or liable for special, indirect, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Master Trustee has been advised of the likelihood of such loss or damage and regardless to the form of action.

(i) Anything to the contrary notwithstanding, the Master Trustee shall not be required to exercise any remedies with respect to the Mortgages unless the Master Trustee is satisfied that the Master Trustee will not be subject to any liability under any local, state or federal environmental laws or regulations of any kind whatsoever or from any circumstances present at the Mortgaged Property, relating to the presence, use, management, disposal of, or contamination by any environmentally hazardous materials or substances of any kind whatsoever.

(j) The immunities extended to the Master Trustee also extend to its directors, officers, employees and agents.

(k) The permissive right of the Master Trustee to do things enumerated in this Indenture shall not be construed as a duty. All of the Master Trustee's duties under this Master Trust Indenture shall be deemed purely ministerial in nature, and the Master Trustee shall not be liable except for the performance of such duties, and no implied covenants or obligations shall be read into this Indenture against the Master Trustee.

(l) Neither the Master Trustee nor any of its directors, officers, employees, agents or affiliates shall be responsible for nor have any duty to monitor the performance or any action of the Obligated Group, the Issuer, or any of their directors, members, officers, agents, affiliates or employee, nor shall it have any liability in connection with the malfeasance or nonfeasance by such party. The Master Trustee may assume performance by all such Persons of their respective obligations. The Master Trustee shall have no enforcement or notification obligations relating to breaches of representations or warranties of any other Person.

(m) The Master Trustee shall be entitled to assume that any Person designated by the Obligated Group or the Obligated Group Representative as an Independent Consultant satisfies the requirements thereof, without any duty of independent investigation.

(n) In no event shall the Master Trustee be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, pandemics, epidemics, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Master Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 7.03. Right to Deal in Obligations and Related Bonds. The Master Trustee may in good faith buy, sell or hold and deal in any Obligations and Related Bonds with like effect as if it were not such Master Trustee and may commence or join in any action which a Holder or holder

of a Related Bond is entitled to take with like effect as if the Master Trustee were not the Master Trustee.

Section 7.04. Removal and Resignation of the Master Trustee. The Master Trustee may be removed at any time by an instrument or instruments in writing signed by the Controlling Party or, provided an Event of Default has not occurred and is then continuing, the Obligated Group Representative. The Master Trustee may at any time resign by giving written notice of such resignation to the Obligated Group Representative and by giving the Holders of all Obligations then Outstanding notice of such resignation by mail at the addresses shown on the registration books maintained by the Master Trustee. No such resignation or removal shall become effective unless and until a successor Master Trustee has been appointed and has assumed the trusts created hereby. Written notice of removal shall be given to the Obligated Group and to each Holder of an Obligation then Outstanding at the address then reflected on the books of the Master Trustee and such resignation or removal shall then take effect upon the appointment and qualification of a successor Master Trustee. A successor Master Trustee may be appointed at the direction of the Controlling Party, or, if the Master Trustee has resigned or has been removed by the Obligated Group Representative, by the Obligated Group Representative. In the event a successor Master Trustee has not been appointed and qualified within 45 days of the date notice of resignation is given, the Master Trustee (at the sole cost and expense of the Obligated Group (including with respect to reasonable attorneys' fees and expenses)), the Obligated Group or any Holder may apply to any court of competent jurisdiction for the appointment of an interim successor Master Trustee to act until such time as a permanent successor is appointed as above provided or for other appropriate relief, and any such resulting appointment or relief shall be binding upon the Obligated Group, the Holders, and any and all other parties, and thereafter the Master Trustee shall have no further duties, responsibilities or obligations hereunder or under any of the Obligated Group Documents to which it is a party.

Unless otherwise ordered by a court or regulatory body having competent jurisdiction, or unless required by law, any successor Master Trustee shall be a trust company or bank having the powers of a trust company as to trusts or authorized to exercise trust powers, qualified to do and doing trust business in one or more states of the United States of America and having (or in the case of a corporation or trust company included in a bank holding company system, the related bank holding company shall have) an officially reported combined capital, surplus, undivided profits and reserves aggregating at least $100,000,000, if there is such an institution willing, qualified and able to accept the trust upon reasonable or customary terms.

Every successor Master Trustee howsoever appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Obligated Group an instrument in writing, accepting such appointment hereunder, and thereupon such successor Master Trustee, without further action, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor, and such predecessor shall execute and deliver an instrument transferring to such successor Master Trustee all the rights, powers and trusts of such predecessor. The predecessor Master Trustee shall execute any and all documents necessary or appropriate to convey all interest it may have to the successor Master Trustee. The predecessor Master Trustee shall promptly deliver all records relating to the trust or copies thereof and communicate all material information it may have obtained concerning the trust to the successor Master Trustee.

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Each successor Master Trustee, not later than 10 days after its assumption of the duties hereunder, shall mail a notice of such assumption to each Holder of an Obligation.

Section 7.05. Compensation and Reimbursement. The Obligated Group agrees:

(a) To pay the Master Trustee from time to time reasonable compensation for all services rendered by it hereunder, including reasonable fees and expenses of its counsel (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust).

(b) To reimburse the Master Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Master Trustee in accordance with any provision of this Master Trust Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and its agents), except any such expense, disbursement or advance as may be attributable to its negligence or willful misconduct.

(c) To indemnify the Master Trustee for, and to hold it harmless from and against, any loss, liability or expense incurred without successful allegations of negligence or willful misconduct on its part, arising out of or in connection with the acceptance or administration of this trust or its duties hereunder or under the Obligated Group Documents, including the costs and expenses of defending itself against or investigating any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder or thereunder.

When the Master Trustee incurs expenses or renders services in connection with an Event of Default specified in Section 6.01(c) or (d) hereof, the expenses (including reasonable fees and expenses of its counsel) and the compensation for the services in connection therewith are intended to constitute expense of administration under any applicable bankruptcy law. Upon the occurrence of an Event of Default and during its continuance, the Master Trustee shall have a prior lien with right of payment before payment on account of principal of or interest on any Obligation, upon all moneys in its possession under any provision hereof for the foregoing reasonable advances, fees, costs and expenses incurred.

(d) Notwithstanding the cancellation or payment of all Obligations and the satisfaction and discharge of this Master Trust Indenture, all provisions in this Master Trust Indenture concerning the indemnity of the Master Trustee and the payment of its fees and expenses shall survive and remain in full force and effect.

Section 7.06. Recitals and Representations. The recitals, statements and representations contained herein, or in any Obligation (excluding the Master Trustee's authentication on the Obligations) shall be taken and construed as made by and on the part of the Obligated Group, and not by the Master Trustee, and the Master Trustee neither assumes nor shall be under any responsibility for the correctness of the same.

The Master Trustee makes no representation as to, and is not responsible for, the validity or sufficiency hereof or of the Obligations or the validity or sufficiency of insurance to be provided. The Master Trustee shall be deemed not to have made representations as to the security afforded hereby or hereunder or as to the legality, validity or sufficiency of such document. The Master Trustee shall not be concerned with or accountable to anyone for the use or application of any

moneys that shall be released or withdrawn in accordance with the provisions hereof. The Master Trustee shall have no duty of inquiry with respect to any default or Events of Default described herein without Actual Knowledge of or receipt by a Responsible Officer of the Master Trustee of written notice of a default or an Event of Default from the Obligated Group or any Holder.

The Master Trustee shall not be obligated to verify any calculations made by third parties, including without limitation, the calculations to be made by the Independent Consultant hereunder.

Section 7.07. Separate or Co-Master Trustee. At any time or times, for the purpose of meeting any legal requirements of any jurisdiction, the Master Trustee shall have power to appoint, and, upon the request of the Controlling Party, shall appoint, one or more persons approved by the Master Trustee either to act as co-trustee or co-trustees, jointly with the Master Trustee, or to act as separate trustee or separate trustees, and to vest in such persons or persons, in such capacity, such rights, powers, duties, trusts or obligations as the Master Trustee may consider necessary or desirable, subject to the remaining provisions of this Section.

Every co-trustee or separate trustee shall, to the extent permitted by law but to such extent only, be appointed subject to the following terms, namely:

(a) The Obligations shall be authenticated and delivered solely by the Master Trustee.

(b) All rights, powers, trusts, duties and obligations conferred or imposed upon the trustees shall be conferred or imposed upon and exercised or performed by the Master Trustee, or by the Master Trustee and such co-trustee or co-trustees or separate trustee or separate trustees jointly, as shall be provided in the instrument appointing such co-trustee or co-trustees or separate trustee or separate trustees, except to the extent that, under the law of any jurisdiction in which any particular act or acts are to be performed the Master Trustee shall be incompetent or unqualified to perform such act or acts, in which event such act or acts shall be performed by such co-trustee or co-trustees or separate trustee or separate trustees.

(c) Any request in writing by the Master Trustee to any co-trustee or separate trustee to take or to refrain from taking any action hereunder shall be sufficient warrant for the taking, or the refraining from taking, of such action by such co-trustee or separate trustee.

(d) Any co-trustee or separate trustee may, to the extent permitted by law, delegate to the Master Trustee the exercise of any right, power, trust, duty or obligation, discretionary or otherwise.

(e) The Master Trustee at any time, by any instrument in writing, may accept the resignation of or remove any co-trustee or separate trustee appointed under this Section. Upon the request of the Master Trustee, the Obligated Group shall join with the Master Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to effectuate such resignation or removal.

(f) No trustee or any paying agent hereunder shall be personally liable by reason of any act or omission of any other trustee or paying agent hereunder, nor will the act or omission of any trustee or paying agent hereunder be imputed to any other trustee or paying agent.

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(g) Any demand, request, direction, appointment, removal, notice, consent, waiver or other action in writing delivered to the Master Trustee shall be deemed to have been delivered to each such co-trustee or separate trustee.

(h) Any moneys, papers, securities or other items of personal property received by any such co-trustee or separate trustee hereunder shall forthwith, so far as may be permitted by law, be turned over to the Master Trustee.

Upon the acceptance in writing of such appointment by any such co-trustee or separate trustee, it or he shall be vested with such rights, powers, duties or obligations, as shall be specified in the instrument of appointment jointly with the Master Trustee (except insofar as local law makes it necessary for any such co-trustee or separate trustee to act alone) subject to all the terms hereof. Every such acceptance shall be filed with the Master Trustee. To the extent permitted by law, any co-trustee or separate trustee may, at any time by an instrument in writing, constitute the Master Trustee its or his attorney-in-fact and agent, with full power and authority to do all acts and things and to exercise all discretion on its or his behalf and in its or his name.

In case any co-trustee or separate trustee shall die, become incapable of acting, resign or be removed, all rights, powers, trusts, duties and obligations of said co-trustee or separate trustee shall, so far as permitted by law, vest in and be exercised by the Master Trustee unless and until a successor co-trustee or separate trustee shall be appointed in the manner herein provided.

Section 7.08. Merger or Consolidation. Any company into which the Master Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Master Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under Section 7.04, shall be the successor to such Master Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

ARTICLE VIII

SUPPLEMENTS AND AMENDMENTS

Section 8.01. Supplements Not Requiring Consent of Holders. The Obligated Group Representative, the Obligated Group and the Master Trustee may, without the consent of any of the Holders, enter into one or more Related Supplements for one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission herein;

(b) To correct or supplement any provision herein which may be inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising hereunder and which shall not materially and adversely affect the interests of the Holders;

(c) To grant or confer ratably upon all the Holders any additional rights, remedies, powers or authority, or to add to the covenants of and restrictions on the Obligated Group;

(d) To qualify this Master Trust Indenture under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect;

(e) To create and provide for the issuance of an Obligation or Series of Obligations as permitted hereunder;

(f) To subject any collateral to the pledge hereunder and the security interest created hereby without the concurrent issuance of any Obligations;

(g) To create any additional funds or accounts hereunder; and

(h) Subject to the receipt by the Master Trustee of an Opinion of Counsel that such amendment or modification will not have a material adverse effect on the interests of the Holders or result in any material impairment of the security given for the payment of the Obligations then Outstanding, to make any other modification, alteration, amendment or supplement to this Master Trust Indenture as the Obligated Group Representative shall deem necessary and desirable.

Section 8.02. Supplements Requiring Consent of Holders.

(a) Other than Related Supplements referred to in Section 8.01 hereof, the Obligated Group Representative, the Obligated Group and the Master Trustee may, with the consent of the Controlling Party and anything contained herein to the contrary notwithstanding, enter into one or more Related Supplements as the Obligated Group Representative shall deem necessary and desirable for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained herein; provided, however, that nothing in this Section shall permit or be construed as permitting a Related Supplement which would:

(i) Extend the stated maturity of or time for paying interest on any Obligation or reduce the Principal Amount of or the redemption premium or rate of interest or method of calculating interest payable on any Obligation without the consent of the Holder of such Obligation;

(ii) Modify, alter, amend, add to or rescind any of the terms or provisions contained in Article VI hereof so as to affect the right of the Holders of any Obligations in default as to payment to compel the Master Trustee to declare the principal of all Obligations to be due and payable, without the consent of the Holders of all Obligations then Outstanding; or

(iii) Reduce the aggregate Principal Amount of Obligations then Outstanding the consent of the Holders of which is required to authorize such Related Supplement without the consent of the Holders of all Obligations then Outstanding.

(b) If at any time the Obligated Group Representative shall request the Master Trustee to enter into a Related Supplement pursuant to this Section, which request is accompanied by a copy of the resolution or other action of its Governing Body certified by its secretary (or, if it has no secretary, its comparable officer) together with a copy of the proposed Related Supplement, and if the Master Trustee shall receive (i) an instrument or instruments purporting to be executed by the Holders of not less than the aggregate Principal Amount or number of Obligations specified

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in subsection (a) for the Related Supplement in question, which instrument or instruments shall refer to the proposed Related Supplement and shall specifically consent to and approve the execution thereof in substantially the form of the copy thereof as on file with the Master Trustee, and (ii) the consent of the Obligated Group, thereupon, but not otherwise, the Master Trustee may execute such Related Supplement in substantially such form, without liability or responsibility to any Holder of any Obligation, whether or not such Holder shall have consented thereto.

(c) Any such consent shall be binding upon the Holder of the Obligation giving such consent and upon any subsequent Holder of such Obligation and of any Obligation issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof), unless such consent is revoked in writing by the Holder of such Obligation giving such consent or by a subsequent Holder thereof by filing with the Master Trustee, prior to the execution by the Master Trustee of such Related Supplement, such revocation and, if such Obligation or Obligations are transferable by delivery, proof that such Obligations are held by the signer of such revocation. At any time after the Holders of the required Principal Amount or number of Obligations shall have filed their consents to the Related Supplement, the Master Trustee shall make and file with the Obligated Group Representative a written statement to that effect. Such written statement shall be conclusive that such consents have been so filed.

(d) If the Holders of the required Principal Amount or number of the Outstanding Obligations shall have consented to and approved the execution of such Related Supplement as herein provided, no Holder of any Obligation shall have any right to object to the execution thereof, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Master Trustee or the Obligated Group Representative from executing the same or from taking any action pursuant to the provisions thereof.

Section 8.03. Execution and Effect of Supplements.

(a) In executing any Related Supplement permitted by this Article, the Master Trustee shall be entitled to receive and to rely upon an Opinion of Counsel stating that the execution of such Related Supplement is authorized or permitted hereby. The Master Trustee may but shall not be obligated to enter into any such Related Supplement which materially and adversely affects the Master Trustee's own rights, duties or immunities.

(b) Upon the execution and delivery of any Related Supplement in accordance with this Article, the provisions hereof shall be modified in accordance therewith and such Supplement shall form a part hereof for all purposes and every Holder of an Obligation theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

(c) Any Obligation authenticated and delivered after the execution and delivery of any Related Supplement in accordance with this Article may, and, if required by the Obligated Group Representative or the Master Trustee shall, bear a notation in form approved by the Master Trustee as to any matter provided for in such Related Supplement. If the Obligated Group Representative or the Master Trustee shall so determine, new Obligations so modified as to conform in the opinion of the Master Trustee and the Governing Body of the Obligated Group Representative to any such Related Supplement may be prepared and executed by the Obligated Group and authenticated and

delivered by the Master Trustee in exchange for and upon surrender of Obligations then Outstanding.

(d) The Master Trustee shall give notice, by first class mail, to the Holders of all Obligations then Outstanding of the execution and delivery of any Related Supplement (other than a Related Supplement entered into for the purposes described in clause (e) of Section 8.01 hereof), setting forth the effective date of such Related Supplement and a summary of the terms thereof (or, in lieu of such a summary, by attaching the form of such Related Supplement to such notice).

Section 8.04. Amendment of Related Supplements. Any Related Supplement may provide that the provisions thereof may be amended without the consent of or notice to any of the Holders or pursuant to such terms and conditions as may be specified in such Related Supplement. If a Related Supplement does not contain provisions relating to the amendment thereof, amendment of such Related Supplement shall by governed by the provisions of Section 8.01 and Section 8.02 hereof.

ARTICLE IX

SATISFACTION AND DISCHARGE OF INDENTURE

Section 9.01. Satisfaction and Discharge of Indenture. If (i) the Obligated Group shall deliver to the Master Trustee for cancellation all Obligations theretofore authenticated (other than any Obligations which shall have been mutilated, destroyed, lost or stolen and which shall have been replaced or paid as provided in any Related Supplement) and not theretofore cancelled, or (ii) upon payment of all Obligations not theretofore cancelled or delivered to the Master Trustee for cancellation, or (iii) (unless otherwise provided for an Obligation in the Related Supplement pursuant to which such Obligation was issued) the Obligated Group shall deposit with the Master Trustee as trust funds cash or Government Obligations or both, sufficient to pay at maturity or upon redemption all Obligations not theretofore cancelled or delivered to the Master Trustee for cancellation, including without limitation principal and interest due or to become due to such date of maturity or redemption date, as the case may be, and if in any case the Obligated Group shall also pay or cause to be paid all other sums payable hereunder by the Obligated Group, then this Master Trust Indenture shall cease to be of further effect, and the Master Trustee, on demand of the Obligated Group and at the cost and expense of the Obligated Group, shall execute proper instruments acknowledging satisfaction of and discharging this Master Trust Indenture. The Obligated Group Representative shall cause a report to be prepared by a firm nationally recognized for providing verification services regarding the sufficiency of funds for such discharge and satisfaction, upon which report the Master Trustee may rely. The Obligated Group hereby agrees to reimburse the Master Trustee for any costs or expenses theretofore and thereafter reasonably and properly incurred by the Master Trustee in connection with this Master Trust Indenture or such Obligations.

Section 9.02. Payment of Obligations after Discharge of Lien. Notwithstanding the discharge of the lien hereof as in this Article provided, the Master Trustee shall nevertheless retain such rights, powers and duties hereunder as may be necessary and convenient for the payment of amounts due or to become due on the Obligations and the registration, transfer, exchange and replacement of Obligations as provided in any Related Supplement. Nevertheless, any moneys

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held by the Master Trustee or any paying agent for the payment of the principal of, premium, if any or interest on any Obligation remaining unclaimed for two years after the principal of all Obligations has become due and payable, whether at maturity or upon proceedings for redemption or by declaration as provided herein, shall, subject to applicable law, then be paid to the Obligated Group and the Holders of any Obligations or coupons not theretofore presented for payment shall thereafter be entitled to look only to the Obligated Group for payment thereof as unsecured creditors and all liability of the Master Trustee or any paying agent with respect to such moneys shall thereupon cease.

ARTICLE X

MISCELLANEOUS PROVISIONS

Section 10.01. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Master Trust Indenture or the Obligations issued hereunder is intended or shall be construed to give to any person other than the Obligated Group Representative, the Obligated Group, the Master Trustee, and the Holders of the Obligations, any legal or equitable right, remedy or claim under or in respect to this Master Trust Indenture or any covenants, conditions and provisions herein contained; this Master Trust Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties mentioned in this Section.

Section 10.02. Severability. If any one or more sections, clauses, sentences or parts hereof shall for any reason be questioned in any court of competent jurisdiction and shall be adjudged invalid or unenforceable, such judgment shall not affect, impair or invalidate the remaining provisions hereof, or the Obligations issued pursuant hereto, but shall be confined to the specific sections, clauses, sentences and parts so adjudged.

Section 10.03. Holidays. Except to the extent a Related Supplement or an Obligation provides otherwise:

(a) Subject to subsection (b), when any action is provided herein to be done on a day or within a time period named, and the day or the last day of the period falls on a day that is not a Business Day, the action may be done on the next ensuing Business Day with effect as though done on the day or within the time period named.

(b) When the date on which principal of or interest or premium on any Obligation is due and payable is a day that is not a Business Day, payment may be made on the next ensuing Business Day with effect as though payment were made on the due date, and, if such payment is made, no interest shall accrue from and after such due date.

Section 10.04. Governing Law. This Master Trust Indenture shall be construed in accordance with and governed by the laws of the State of Florida applicable to contracts made and performed in the State of Florida.

Section 10.05. Counterparts. This Master Trust Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

Section 10.06. Immunity of Individuals. No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Obligations issued hereunder or for any claim based thereon or upon any obligation, covenant or agreement herein against any past, present or future officer, director, member, employee or agent of the Obligated Group, whether directly or indirectly and all such liability of any such individual as such is hereby expressly waived and released as a condition of and in consideration for the execution hereof and the issuance of the Obligations hereunder.

Section 10.07. Nonpetition. By its acceptance of an Obligation or Related Bond, each owner and beneficial owner of an Obligation or Related Bond agrees, and the Master Trustee agrees, that it shall at no time commence a bankruptcy case or similar insolvency proceeding against the Obligated Group Representative or the Obligated Group.

Section 10.08. Binding Effect. This instrument shall inure to the benefit of and shall be binding upon the Obligated Group, the Master Trustee, the Obligated Group Representative and their respective successors and assigns subject to the limitations contained herein.

Section 10.09. Notices; Notice to Rating Agencies. (a) Unless otherwise expressly specified or permitted by the terms hereof, all notices, consents or other communications required or permitted hereunder shall be deemed sufficiently given or served if given in writing, mailed by first class mail, postage prepaid and addressed as follows:

(i) If to the Obligated Group Representative, addressed to it at:

Alpha Lifestyle Partners, Inc.
c/o President
201 South Columbine Street, Unit 300
Denver, Colorado 80206
Email: cassidy@alphalifestylepartners.org

(ii) If to the Master Trustee, addressed to it at the Designated Corporate Trust Office; or

(iii) If to the registered Holder of an Obligation, addressed to such Holder at the address shown on the books of the Master Trustee kept pursuant hereto.

(b) The Obligated Group Representative or the Master Trustee may from time to time by notice in writing to the others and to the Holders of the Obligations designate a different address or addresses for notice hereunder.

(c) So long as Obligations are rated by a Rating Agency, at such time as there is a change in the Master Trustee, any amendment to this Master Trust Indenture is made, or upon the occurrence of an Event of Default hereunder, or upon any acceleration or defeasance of the Obligations, written notice of same shall be given by the Obligated Group Representative to the Rating Agencies then rating the Obligations.

Section 10.10. Electronic Signatures. The parties agree that the electronic signature of a party to this Master Trust Indenture, including all acknowledgements, authorizations, directions,

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waivers and consents thereto (or any amendment or supplement thereto) shall be as valid as an original signature of such party and shall be effective to bind such party to this Master Trust Indenture. The parties agree that any electronically signed document (including this Master Trust Indenture) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed, and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. For purposes hereof, "electronic signature" means a manually-signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the Internet as a pdf (portable document format) or other replicating image attached to an e-mail message; and, "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature. Paper copies or "printouts", if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. No party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

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IN WITNESS WHEREOF, the Obligated Group Representative and each Member of the Obligated Group has caused these presents to be signed in its name and to evidence its acceptance of the trusts and agreements hereby created, and the Master Trustee has caused these presents to be signed in its name and on its behalf by one of its duly authorized officers, all as of the day and year first above written.

ALPHA LIFESTYLE PARTNERS, INC.,
a Delaware nonprofit corporation,
as Obligated Group Representative

By: _____
Name:
Title:

ALPHA LIFESTYLE PARTNERS, INC.,
a Delaware nonprofit corporation,
as a Member of the Obligated Group

By: _____
Name:
Title:

ALPHA LIFESTYLE PARTNERS FLORIDA, INC., a Florida not-for-profit corporation, as a Member of the Obligated Group

By: _____
Name:
Title:

ALP COVINGTON, LLC,
ALP NAPLES, LLC,
ALP VENICE, LLC, each a Delaware limited liability company, and each as a Member of the Obligated Group

By: _____
Name:
Title:

[Signature Page to the Master Trust Indenture]

UMB BANK, N.A.,
as Master Trustee

By: _____
Name:
Title:

[Signature Page to the Master Trust Indenture]

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APPENDIX A

FORM OF ADMINISTRATIVE COSTS FUND REQUISITION

REQUISITION NO. __

_____, 20__

UMB Bank, N.A.
7155 Lake Drive, Suite 120
West Des Moines, Iowa 50266

Re: Requisition No. [__] – Administrative Costs Fund

Ladies and Gentlemen:

This letter is our direction to you to disburse from the Administrative Costs Fund provided for in Section 4.04 of the Master Trust Indenture dated as of _____ 1, 2025 (the "Master Trust Indenture") among Alpha Lifestyle Partners, Inc., a Delaware nonprofit corporation (the "Obligated Group Representative"), each Member of the Obligated Group (collectively, the "Obligated Group"), and UMB Bank, N.A., a national banking association organized and existing under the laws of the United States of America (the "Trustee"), to each payee listed on Schedule A attached hereto the amount set forth on such Schedule A. All payments shall be made by check or wire transfer in accordance with the payment instructions set forth on Schedule A or in the applicable invoice and the Trustee shall rely on such payment instructions with no duty to authenticate or verify the authenticity of the invoice or the payment instructions contained therein or the authority under which they were given.

The obligations in the stated amounts have been incurred by the Obligated Group and each item thereof is a proper charge against the Administrative Costs Fund.

With respect to this disbursement, the Obligated Group Representative (i) certifies it has reviewed any wire instructions set forth herein to confirm such wire instructions are accurate, (ii) agrees to indemnify and hold harmless the Master Trustee from and against any and all claim, demand, loss, liability, or expense sustained, including but not limited to attorney fees, and expenses resulting directly or indirectly as a result of making the disbursement requested hereunder, and (iii) agrees it will not seek recourse from Master Trustee as a result of losses incurred by it for making the disbursement in accordance with its instructions herein.

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IN WITNESS WHEREOF, the undersigned has executed this request as of the date first written above.

Very truly yours,

ALPHA LIFESTYLE PARTNERS, INC.,
as Obligated Group Representative

By: _____
Name:
Title:

[Signature Page to Administrative Costs Fund Requisition]

Appendix A

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SCHEDULE A

Item No.	Payee	Amount	Purpose
1.	[PAYEE]	$[_____]	
	TOTAL	$[_____]	

Appendix A

APPENDIX B

FORM OF REPAIR AND REPLACEMENT FUND REQUISITION

REQUISITION NO. __

_____, 20__

UMB Bank, N.A.
7155 Lake Drive, Suite 120
West Des Moines, Iowa 50266

Re: Requisition No. [__] – [NAME OF ACCOUNT] of Repair and Replacement Fund

Ladies and Gentlemen:

This letter is our direction to you to disburse from the [NAME OF ACCOUNT] of the Repair and Replacement Fund provided for in Section 4.07 of the Master Trust Indenture dated as of _____ 1, 2025 (the "Master Trust Indenture") among Alpha Lifestyle Partners, Inc., a Delaware nonprofit corporation (the "Obligated Group Representative"), each Member of the Obligated Group (collectively, the "Obligated Group"), and UMB Bank, N.A., a national banking association organized and existing under the laws of the United States of America (the "Trustee"), to each payee listed on Schedule A attached hereto the amount set forth on such Schedule A. All payments shall be made by check or wire transfer in accordance with the payment instructions set forth on Schedule A or in the applicable invoice and the Trustee shall rely on such payment instructions with no duty to authenticate or verify the authenticity of the invoice or the payment instructions contained therein or the authority under which they were given.

The obligations in the stated amounts have been incurred by the Obligated Group and each item thereof is a proper charge against such account of the Repair and Replacement Fund.

With respect to this disbursement, the Obligated Group Representative (i) certifies it has reviewed any wire instructions set forth herein to confirm such wire instructions are accurate, (ii) agrees to indemnify and hold harmless the Master Trustee from and against any and all claim, demand, loss, liability, or expense sustained, including but not limited to attorney fees, and expenses resulting directly or indirectly as a result of making the disbursement requested hereunder, and (iii) agrees it will not seek recourse from Master Trustee as a result of losses incurred by it for making the disbursement in accordance with its instructions herein.

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Appendix B

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IN WITNESS WHEREOF, the undersigned has executed this request as of the date first written above.

Very truly yours,

ALPHA LIFESTYLE PARTNERS, INC.,
as Obligated Group Representative

By: _____
Name:
Title:

[Signature Page to Repair and Replacement Fund Requisition]

Appendix B

SCHEDULE A

Item No.	Payee	Amount	Purpose
1.	[PAYEE]	$[_____]	
	TOTAL	$[_____]	

Appendix B

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APPENDIX C

CERTIFICATE OF OBLIGATED GROUP REPRESENTATIVE AND ASSET MANAGER AS TO APPLICATION OF FUNDS IN THE SURPLUS FUND

CERTIFICATE NO. __

_____, 20__

UMB Bank, N.A.
7155 Lake Drive, Suite 120
West Des Moines, Iowa 50266

Re: Certificate No. [__] – Surplus Fund

Ladies and Gentlemen:

This letter is our direction to you to disburse or transfer from the Surplus Fund provided for in Section 4.14 of the Master Trust Indenture dated as of _____ 1, 2025 (the "Master Trust Indenture") among Alpha Lifestyle Partners, Inc., a Delaware nonprofit corporation (the "Obligated Group Representative"), each Member of the Obligated Group (collectively, the "Obligated Group"), and UMB Bank, N.A., a national banking association organized and existing under the laws of the United States of America (the "Trustee"), as directed on Schedule A attached hereto in the amount set forth on such Schedule A. All payments (other than transfers to other funds established under the Master Trust Indenture) shall be made by check or wire transfer in accordance with the payment instructions set forth on Schedule A and the Trustee shall rely on such payment instructions with no duty to authenticate or verify the authenticity of the invoice or the payment instructions contained therein or the authority under which they were given.

In connection with this disbursement, the Obligated Group hereby certifies that (i) no Event of Default has occurred or is continuing, (ii) the Obligated Group expects to satisfy the Rate Covenant as of the end of the current Fiscal Year based on current year-to-date operations, (iii) the Operating Reserve Fund, the Repair and Replacement Fund, the Major Improvement and Operating Support Reserve Fund and each debt service reserve fund established under a Related Bond Indenture are fully funded in accordance with the provisions of the Master Trust Indenture and each Related Bond Indenture, and (iv) such funds are being withdrawn from the Surplus Fund for one of the following purposes: (A) for use in supporting the organization and mission of the Borrower and the other Members of the Obligated Group, (B) for transfer to the Principal Account of the Senior Lien Obligations Funds or the Junior Lien Obligations Fund for the redemption of Senior Lien Obligations or Junior Lien Obligations, or (C) for transfer to the Subordinated Management Fees Fund for the payment of any accrued and unpaid Subordinated Management Fees.

With respect to this disbursement, the Obligated Group Representative (i) certifies it has reviewed any wire instructions set forth herein to confirm such wire instructions are accurate, (ii) agrees to indemnify and hold harmless the Master Trustee from and against any and all claim, demand, loss, liability, or expense sustained, including but not limited to attorney fees, and expenses resulting directly or indirectly as a result of making the disbursement requested hereunder, and (iii) agrees it will not seek recourse from Master Trustee as a result of losses incurred by it for making the disbursement in accordance with its instructions herein.

[Remainder of Page Intentionally Left Blank]

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IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date first written above.

Very truly yours,

ALPHA LIFESTYLE PARTNERS, INC.,
as Obligated Group Representative

By: _____
Name:
Title:

[**NAME OF ASSET MANAGER**], as Asset Manager

By: _____
Name:
Title:

[Signature Page to Surplus Fund Certificate]

SCHEDULE A

Item No.	Payee	Amount	Purpose
1.	[PAYEE]	$[_____]	
	TOTAL	$[_____]	

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APPENDIX D

TRADE NAMES

APPENDIX E

UNITS IN THE PROPERTIES

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APPENDIX C-4

FORMS OF THE MORTGAGES

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Prepared by, and after recording, please return to:
Nixon Peabody LLP
1300 Clinton Square
Rochester, New York 14604
Attn: Katie Baynes

MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS, FINANCING STATEMENT AND FIXTURE FILING

made by

ALP NAPLES, LLC,
Mortgagor

to

UMB BANK, N.A., as Master Trustee, Mortgagee

Dated as of September [___], 2025
Location: 3053 Airport-Pulling Road, Naples, Florida 34105
County of Collier
Tax Map # 25347000065

NOTE TO RECORDER:

THIS MORTGAGE SECURES THE FOLLOWING OBLIGATIONS:

CERTAIN OBLIGATIONS EXECUTED BY THE MORTGAGOR IN FAVOR OF THE MORTGAGEE FOR THE REPAYMENT OF BONDS ISSUED BY CAPITAL TRUST AGENCY PURSUANT TO CHAPTER 159, PART II, FLORIDA STATUTES (THE "BOND OBLIGATIONS"). THE BOND OBLIGATIONS AND THE MORTGAGES SECURING THE BOND OBLIGATIONS ARE EXEMPT FROM FLORIDA NON-RECURRING INTANGIBLE TAXES AND DOCUMENTARY STAMP TAXES PURSUANT TO SECTIONS 159.31 AND 159.50, FLORIDA STATUTES.

THIS MORTGAGE SECURES OBLIGATORY ADVANCES AND IS MADE FOR COMMERCIAL PURPOSES.

FIXTURE FILING: This Instrument is also a Uniform Commercial Code financing statement filed as a fixture filing in accordance with Fla. Stat. § 679.5021. The collateral is described in this Mortgage, and includes goods that are or may become affixed to the real property described herein. The name and addresses of the debtor (Mortgagor) and the secured party (Mortgagee) are set forth below. The record owner of the real property is ALP Naples, LLC.

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MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS, FINANCING STATEMENT AND FIXTURE FILING

THIS MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS, FINANCING STATEMENT AND FIXTURE FILING, dated as of September [___], 2025 is made by ALP NAPLES, LLC, a Delaware limited liability company ("Mortgagor"), whose address is 201 South Columbine Street, Unit 300, Denver, Colorado 80206, to UMB BANK, N.A., as master trustee under the Master Indenture (as defined below) (in such capacity, and including its successors and permitted assigns from time to time under the Master Indenture, "Mortgagee"), whose address is 7155 Lake Drive, Suite 120, West Des Moines, Iowa 50266. References to this "Mortgage" shall mean this instrument and any and all renewals, modifications, amendments, supplements, extensions, consolidations, substitutions, spreaders and replacements of this instrument.

Background

A. Mortgagor is the owner of the fee simple estate in the parcel(s) of real property described on Schedule A attached hereto (the "Land"), and owns all of the buildings, improvements, structures, and fixtures now located on the Land (the "Improvements"; the Land and the Improvements being collectively referred to as the "Real Estate").

B. Mortgagor requested financial assistance in financing the acquisition of certain senior living facilities (collectively, the "Projects"), which includes, but is not limited to, the Real Estate.

C. ALPHA LIFESTYLE PARTNERS, INC., a Delaware nonstock corporation, Mortgagor, the other members of the Obligated Group named therein and Mortgagee are parties to that certain Master Trust Indenture, dated as of September [___], 2025 (as amended, supplemented, restated, replaced, substituted or otherwise modified from time to time, the "Master Indenture"), for the purpose of providing for the issuance from time to time of obligations thereunder to provide security for the financing of the acquisition, construction, improvement, equipping and furnishing of the Projects, or for other lawful and proper corporate purposes (collectively, the "Obligations").

D. The Master Indenture requires Mortgagor to deliver a duly executed copy of this Mortgage.

NOW, THEREFORE, in consideration of the premises and for other valuable consideration, the receipt and sufficiency of which the parties hereto hereby acknowledge, Mortgagor hereby agrees with Mortgagee, for the ratable benefit of the Holders of the Obligations, as follows:

Granting Clauses

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor agrees that to secure the prompt and complete payment and performance in full when due (whether at stated maturity, by required prepayment, declaration,

acceleration, demand or otherwise, including the payment of amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code) of all of the Obligations issued under the Master Indenture (collectively, the "Secured Obligations");

MORTGAGOR HEREBY GRANTS TO MORTGAGEE, A LIEN UPON AND A SECURITY INTEREST IN, AND HEREBY MORTGAGES AND WARRANTS, GRANTS, ASSIGNS, TRANSFERS AND SETS OVER TO MORTGAGEE, FOR THE BENEFIT OF THE HOLDERS OF THE OBLIGATIONS AND WITH ALL OTHER STATUTORY RIGHTS AND COVENANTS IN THE STATE IN WHICH THE REAL ESTATE IS LOCATED, ALL OF MORTGAGOR'S RIGHT, TITLE AND INTEREST IN AND TO THE FOLLOWING DESCRIBED PROPERTY:

(a) the Real Estate or any part thereof;

(b) all easements, rights of way, licenses, operating agreements, abutting strips and gores of land, streets, ways, alleys, passages, sewer rights, waters, water courses, water and flowage rights, development rights, air rights, mineral and soil rights, plants, standing and fallen timber, and all estates, rights, titles, interests, privileges, licenses, tenements, hereditaments and appurtenances belonging, relating or appertaining to the Real Estate, and any reversions, remainders, rents, issues, profits and revenue thereof and all land lying in the bed of any street, road or avenue, in front of or adjoining the Real Estate to the center line thereof;

(c) all of the fixtures, chattels, business machines, machinery, apparatus, equipment, furnishings, fittings, appliances and articles of personal property of every kind and nature whatsoever, and all appurtenances and additions thereto and substitutions or replacements thereof (together with, in each case, attachments, components, parts and accessories) attached to, or contained in or used or usable in any way in connection with any operation or letting of the Real Estate, including but without limiting the generality of the foregoing, all screens, awnings, shades, blinds, curtains, draperies, artwork, carpets, rugs, storm doors and windows, furniture and furnishings, heating, electrical, and mechanical equipment, lighting, switchboards, plumbing, ventilating, air conditioning and air-cooling apparatus, refrigerating, and incinerating equipment, escalators, elevators, loading and unloading equipment and systems, stoves, ranges, laundry equipment, cleaning systems (including window cleaning apparatus), telephones, communication systems (including satellite dishes and antennae), televisions, computers, sprinkler systems and other fire prevention and extinguishing apparatus and materials, security systems, motors, engines, machinery, pipes, pumps, tanks, conduits, appliances, fittings and fixtures of every kind and description (all of the foregoing in this paragraph (c) being referred to as the "Equipment");

(d) all substitutes and replacements of, and all additions and improvements to, the Real Estate and the Equipment, subsequently acquired by or released to Mortgagor or constructed, assembled or placed by Mortgagor on the Real Estate, immediately upon such acquisition, release, construction, assembling or placement, including, without limitation, any and all building materials whether stored at the Real Estate or offsite, and, in each such case, without any further deed, conveyance, assignment or other act by Mortgagor;

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(e) all leases, subleases, underlettings, concession agreements, management agreements, licenses and other agreements relating to the use or occupancy of the Real Estate or the Equipment or any part thereof, now existing or subsequently entered into by Mortgagor and whether written or oral and all guarantees of any of the foregoing (collectively, as any of the foregoing may be amended, restated, extended, renewed or modified from time to time, the "Leases"), and all rights of Mortgagor in respect of cash and securities deposited thereunder and the right to receive and collect the revenues, income, rents, issues and profits thereof, together with all other rents, royalties, issues, profits, revenue, income and other benefits arising from the use and enjoyment of the Mortgaged Property (as defined below) (collectively, the "Rents");

(f) all unearned premiums under insurance policies relating to the Real Estate or Equipment and all proceeds of any such insurance policies (including title insurance policies) including the right to collect and receive such proceeds, subject to the provisions relating to insurance generally set forth below; and all awards and other compensation, including the interest payable thereon and the right to collect and receive the same, made to the present or any subsequent owner of the Real Estate or Equipment for the taking by eminent domain, condemnation or otherwise, of all or any part of the Real Estate or any easement or other right therein;

(g) to the extent not prohibited under the applicable contract, consent, license or other item unless the appropriate consent has been obtained, (i) all contracts from time to time executed by Mortgagor or any manager or agent on its behalf relating to the ownership, construction, maintenance, repair, operation, occupancy, sale or financing of the Real Estate or Equipment or any part thereof and all agreements and options relating to the purchase or lease of any portion of the Real Estate or any property which is adjacent or peripheral to the Real Estate, together with the right to exercise such options and all leases of Equipment, (ii) all consents, licenses, building permits, certificates of occupancy and other governmental approvals relating to construction, completion, occupancy, use or operation of the Real Estate or any part thereof, and (iii) all drawings, plans, specifications and similar or related items relating to the Real Estate; and

(h) all proceeds, both cash and noncash, of the foregoing;

All of the foregoing property and rights and interests now owned or held or subsequently acquired by Mortgagor and described in the foregoing clauses (a) through (c) are collectively referred to as the "Premises", and those described in the foregoing clauses (a) through (h) are collectively referred to as the "Mortgaged Property."

TO HAVE AND TO HOLD the Mortgaged Property and the rights and privileges hereby mortgaged unto Mortgagee, its successors and assigns, for the uses and purposes set forth, until the Secured Obligations are fully paid and performed.

This Mortgage covers present and future advances and re-advances, in the aggregate amount of the Secured Obligations, and the lien of such future advances and re-advances shall relate back to the date of this Mortgage.

Terms and Conditions

Mortgagor further represents, warrants, covenants and agrees with Mortgagee and the Holders of the Obligations as follows:

1. Defined Terms. Capitalized terms used herein (including in the "Background" and "Granting Clauses" sections above) and not otherwise defined herein shall have the meanings ascribed thereto in the Master Indenture.

2. Warranty of Title. Mortgagor warrants that it has record title in fee simple to the Real Estate, and good title to the rest of the Mortgaged Property, subject only to the matters that are set forth in Schedule B of the title insurance policy being issued to Mortgagee to insure the lien of this Mortgage and any other lien or encumbrance as permitted by the Master Indenture (the "Permitted Exceptions"). Mortgagor shall warrant, defend and preserve such title and the lien of this Mortgage against all claims of all persons and entities (not including the holders of the Permitted Exceptions). Mortgagor represents and warrants that it has the right to mortgage the Mortgaged Property.

3. Payment of Secured Obligations. Mortgagor shall pay and perform the Secured Obligations at the times and places and in the manner specified in the Master Indenture and each Related Supplement.

4. Requirements. Mortgagor shall comply with all covenants, restrictions and conditions now or later of record which may be applicable to any of the Mortgaged Property, or to the use, manner of use, occupancy, possession, operation, maintenance, alteration, repair or reconstruction of any of the Mortgaged Property, provided, however Mortgagor shall not be required to comply with any law, ordinance, approval or regulation as long as it shall in good faith contest the validity thereof.

5. Payment of Taxes and Other Impositions.

(a) Prior to the date on which any fine, penalty, interest or cost may be added thereto or imposed, Mortgagor shall pay and discharge all taxes, charges and assessments of every kind and nature, all charges for any easement or agreement maintained for the benefit of any of the Real Estate, all general and special assessments, levies, permits, inspection and license fees, all water and sewer rents and charges, vault taxes and all other public charges even if unforeseen or extraordinary, imposed upon or assessed against or which may become a lien on any of the Real Estate, or arising in respect of the occupancy, use or possession thereof, together with any penalties or interest on any of the foregoing (all of the foregoing are collectively referred to herein as the "Impositions"), provided, however, that Mortgagor shall not be required to pay any tax, assessment, rate or charge as herein provided as long as it (i) shall in good faith contest the validity thereof or shall have applied for property tax exemption, which Mortgagor reasonably expects to receive and such exemption, if granted, would be effective with respect to such tax, assessment, rate or charge, or (ii) shall have entered into an agreement with the applicable taxing authority for the payment of such taxes in installments (to the extent applicable) and remains in compliance with such agreement. If by law any Imposition, at Mortgagor's option, may be paid in installments (whether or not interest shall accrue on the unpaid balance of such Imposition), Mortgagor may

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elect to pay such Imposition in such installments and shall be responsible for the payment of such installments with interest, if any.

(b) Mortgagee may pay any Imposition after the date such Imposition shall have become delinquent, and add to the Secured Obligations the amount so paid, together with interest from the time of payment at an interest rate of ten percent (10%) per annum, but not to exceed the maximum rate permitted by law. Any sums paid by Mortgagee in discharge of any Impositions shall be (i) a lien on the Premises secured hereby prior to any right or title to, interest in, or claim upon the Premises subordinate to the lien of this Mortgage, and (ii) payable on demand by Mortgagor to Mortgagee together with interest at an interest rate of ten percent (10%) per annum, but not to exceed the maximum rate permitted by law, as set forth above.

6. Insurance. Mortgagor shall maintain, with financially sound and reputable companies, insurance as set forth in Section 3.04 of the Master Indenture.

7. Restrictions on Liens and Encumbrances. Except for the lien of this Mortgage and the Permitted Exceptions and except as may be expressly permitted by the Master Indenture, Mortgagor shall not further mortgage, nor otherwise encumber the Mortgaged Property nor create or suffer to exist any lien, charge or encumbrance on the Mortgaged Property, or any part thereof, whether superior or subordinate to the lien of this Mortgage and whether recourse or non-recourse.

8. Due on Sale and Other Transfer Restrictions. Except as expressly permitted under the Master Indenture, Mortgagor shall not sell, transfer, convey or assign all or any portion of, or any interest in, the Mortgaged Property.

9. Condemnation/Eminent Domain. Promptly upon obtaining knowledge of the institution of any proceedings for the condemnation of the Mortgaged Property, or any material portion thereof, Mortgagor will notify Mortgagee of the pendency of such proceedings. All awards and proceeds relating to such condemnation shall be administered and applied in the manner specified in Sections 3.04(c) and (d) of the Master Indenture.

10. Leases. Except as expressly permitted under the Master Indenture, including, but not limited to, Section 3.05 of the Master Indenture, Mortgagor shall not (a) execute an assignment or pledge of any Lease relating to all or any portion of the Mortgaged Property other than in favor of Mortgagee, or (b) execute or permit to exist any Lease of any of the Mortgaged Property.

11. Further Assurances. To further assure Mortgagee's rights under this Mortgage, Mortgagor agrees promptly upon reasonable demand of Mortgagee to do any act or execute any additional documents (including, but not limited to, security agreements on any personalty included or to be included in the Mortgaged Property and a separate assignment of each Lease in recordable form) as may be reasonably required by Mortgagee to confirm the lien of this Mortgage and all other rights or benefits conferred on Mortgagee by this Mortgage.

12. Mortgagee's Right to Perform. If Mortgagor fails to perform any of the covenants or agreements of Mortgagor, within the applicable grace period, if any, provided for in the Master Indenture, Mortgagee, without waiving or releasing Mortgagor from any obligation or default under this Mortgage, may (but shall be under no obligation to), pay or perform the same, and the amount or cost thereof, with interest at an interest rate of ten percent (10%) per annum, but not to

exceed the maximum rate permitted by law, shall immediately be due from Mortgagor to Mortgagee and the same shall be secured by this Mortgage and shall be a lien on the Mortgaged Property prior to any right, title to, interest in, or claim upon the Mortgaged Property attaching subsequent to the lien of this Mortgage. No payment or advance of money by Mortgagee under this Section shall be deemed or construed to cure Mortgagor's default or waive any right or remedy of Mortgagee.

13. Defaults. The term "Event of Default" as used in this Mortgage shall mean the occurrence and continuation of any of the following events:

(a) the occurrence and continuation of any "Event of Default", as such term is defined in the Master Indenture; or

(b) the failure of Mortgagor to observe and perform any material covenant, condition or agreement on its part to be observed or performed in this Mortgage (other than an occurrence which may sooner constitute an Event of Default under the Master Indenture) unless such failure is remedied within sixty (60) days after written notice to Mortgagor, or, if curable, such longer period, not exceeding one hundred eighty (180) days, as is reasonably necessary under the circumstances to remedy such failure.

14. Remedies.

(a) If an Event of Default shall have occurred, then all of the unpaid Obligations shall, at the option of Mortgagee, become due and payable without notice or demand, time being of the essence; and any omission on the part of Mortgagee to exercise such option when entitled to do so shall not be considered as a waiver of such right. Mortgagor hereby expressly waives presentment, demand for payment, notice of protest, notice of dishonor, notice of intent to accelerate the maturity of the Obligations and notice of acceleration of the maturity of the Obligations. Notwithstanding anything contained to the contrary herein, the Obligations shall be accelerated and immediately due and payable, without any election by Mortgagee, upon the occurrence of an Event of Default described in Section 6.01(d) or Section 6.01(e) of the Master Indenture.

(b) If an Event of Default shall have occurred and be continuing, this Mortgage may, to the maximum extent permitted by law, be enforced, and Mortgagee may exercise any right, power or remedy permitted to it hereunder, under the Master Indenture or under any Related Supplement or at law or in equity, and, without limiting the generality of the foregoing, Mortgagee may, personally or by its agents, to the maximum extent permitted by law:

(i) enter into and take possession of the Mortgaged Property or any part thereof, exclude Mortgagor and all Persons claiming under Mortgagor whose claims are junior to this Mortgage, wholly or partly therefrom, and use, operate, manage and control the Mortgaged Property or any part thereof either in the name of Mortgagor or otherwise as Mortgagee shall deem best, and upon such entry, from time to time at the expense of Mortgagor and the Mortgaged Property, make all such repairs, replacements, alterations, additions or improvements to the Mortgaged Property or any part thereof as Mortgagee may reasonably deem proper

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and, whether or not Mortgagee has so entered and taken possession of the Mortgaged Property or any part thereof, collect and receive all Rents and apply the same to the payment of all expenses that Mortgagee may be authorized to make under this Mortgage, the Master Indenture or under any Related Supplement, the remainder to be applied to the payment of the Obligations in such order and priority as Mortgagee may elect in its sole discretion until the same shall have been repaid in full, take possession of all security deposits held with respect to the Mortgaged Property, whether or not Mortgagee enters upon or takes control of the Mortgaged Property and regardless of where any such security deposits are deposited or located; if Mortgagee demands or attempts to take possession of the Mortgaged Property or any part thereof in the exercise of any rights hereunder, Mortgagor shall promptly turn over and deliver complete possession thereof to Mortgagee;

(ii) intentionally omitted;

(iii) proceed to protect and enforce Mortgagee's rights under this Mortgage, by suit for specific performance of any covenant contained herein or in the Master Indenture or any Related Supplement or in aid of the execution of any power granted herein or in the Master Indenture or any Related Supplement, or for the foreclosure of this Mortgage (as a mortgage or otherwise) and the sale of the Mortgaged Property or any part thereof under the judgment or decree of a court of competent jurisdiction, or for the enforcement of any other right as Mortgagee shall elect, provided, that in the event of a sale, by foreclosure or otherwise, of less than all of the Mortgaged Property, this Mortgage shall continue as a lien on, and security interest in, the remaining portion of the Mortgaged Property; and

(iv) exercise any or all of the remedies available to a secured party under the Code.

(c) If an Event of Default shall have occurred, Mortgagee, to the maximum extent permitted by law, shall be entitled, as a matter of right, to the appointment of a receiver of the Mortgaged Property, without notice or demand, and without regard to the adequacy of the security for the Obligations or the solvency of Mortgagor. Mortgagor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all the powers and duties of Mortgagee in case of entry and shall continue as such and exercise all such powers until the date of confirmation of sale of the Mortgaged Property, unless such receivership is sooner terminated.

(d) In any sale under any provision of this Mortgage or pursuant to any judgment or decree of court, the Mortgaged Property, to the maximum extent permitted by law, may be sold in one or more parcels or as an entirety and in such order as Mortgagee may elect, without regard to the right of Mortgagor or any Person claiming under Mortgagor to the marshalling of assets. The purchaser at any such sale shall take title to the Mortgaged Property or the part thereof so sold free and discharged of the estate of Mortgagor therein, the purchaser being hereby discharged from all liability to see to the application of the purchase money. Upon the completion of any such sale by virtue of this Section 14(d), Mortgagee shall execute and deliver

to the purchaser an appropriate instrument that shall effectively transfer all of Mortgagor's estate, right, title, interest, property, claim and demand in and to the Mortgaged Property or portion thereof so sold, but without any covenant or warranty, express or implied. Mortgagor shall ratify and confirm, or cause to be ratified and confirmed, any such sale or sales by executing and delivering, or by causing to be executed and delivered to Mortgagee or to such purchaser or purchasers all such instruments as may be advisable, in the reasonable judgment of Mortgagee, for such purpose, and as may be designated in such request. Any sale or sales made under or by virtue of this Mortgage, to the extent not prohibited by law, shall operate to divest all the estate, right, title, interest, property, claim and demand whatsoever, whether at law or in equity, of Mortgagor in, to and under the Mortgaged Property, or any portions thereof so sold, and shall be a perpetual bar both at law and in equity against Mortgagor and against any and all Persons claiming or who may claim the same, or any part thereof, by, through or under Mortgagor. The powers and agency herein granted are coupled with an interest and are irrevocable.

(e) All proceeds of any repayment of or recoveries on the Obligations shall be applied to pay the Obligations in such order and in such manner as Mortgagee shall elect in Mortgagee's sole discretion.

(f) No sale or other disposition of all or any part of the Mortgaged Property pursuant to this Section 14 shall be deemed to relieve Mortgagor of its obligations under this Mortgage, the Master Indenture or any Related Supplement except to the extent the proceeds thereof are applied to the payment of such obligations. If the proceeds of sale, collection or other realization of or upon the Mortgaged Property are insufficient to cover the costs and expenses of such realization and the payment in full of the Obligations, Mortgagor shall remain liable for any deficiency.

(g) Intentionally omitted.

(h) Mortgagee shall have the right from time to time to sue for any sums required to be paid by Mortgagor under the terms of this Mortgage as the same become due, without regard to whether or not the entire Obligations shall be, or have become, due and without prejudice to the right of Mortgagee thereafter to bring any action or proceeding of foreclosure or any other action upon the occurrence of any Event of Default existing at the time such earlier action was commenced.

(i) Mortgagee may at any time or from time to time renew or extend this Mortgage or (with the agreement of Mortgagor) alter or modify the same in any way, or waive any of the terms, covenants or conditions hereof or thereof, in whole or in part, and may release or reconvey any portion of the Mortgaged Property or any other security, and grant such extensions and indulgences in relation to the Obligations, or release any Person liable therefor, as Mortgagee may determine without the consent of any junior lienor or encumbrancer, without any obligation to give notice of any kind thereto, without in any manner affecting the priority of the lien and estate of this Mortgage on or in any part of the Mortgaged Property, and without affecting the liability of any other Person liable for any of the Obligations.

(j) No right or remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other right or remedy, and each and every right and remedy shall

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be cumulative and in addition to any other right or remedy under this Mortgage, or under applicable law, whether now or hereafter existing; the failure of Mortgagee to insist at any time upon the strict observance or performance of any of the provisions of this Mortgage or to exercise any right or remedy provided for herein or under applicable law, shall not impair any such right or remedy nor be construed as a waiver or relinquishment thereof.

(k) To the maximum extent permitted by law, Mortgagee shall be entitled to enforce payment and performance of any of the obligations of Mortgagor and to exercise all rights and powers under this Mortgage, the Master Indenture or any Related Supplement or any laws now or hereafter in force, notwithstanding that some or all of the Obligations may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise; neither the acceptance of this Mortgage nor its enforcement, whether by court action or other powers herein contained, shall prejudice or in any manner affect Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being stipulated that Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by Mortgagee in such order and manner as Mortgagee, in its sole discretion, may determine; every power or remedy given by this Mortgage, the Master Indenture or any Related Supplement to Mortgagee, or to which Mortgagee is otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Mortgagee, and Mortgagee may pursue inconsistent remedies.

(l) To the maximum extent permitted by law, Mortgagor shall not at any time insist upon, or plead, or in any manner whatsoever claim or take any benefit or advantage of any applicable present or future stay, extension or moratorium law, that may affect observance or performance of the provisions of this Mortgage; nor claim, take or insist upon any benefit or advantage of any present or future law providing for the valuation or appraisal of the Mortgaged Property or any portion thereof prior to any sale or sales thereof that may be made under or by virtue of Section 14; and Mortgagor, to the maximum extent permitted by law, hereby waives all benefit or advantage of any such law or laws. Mortgagor, for itself and all who may claim under it, hereby waives, to the maximum extent permitted by law, any and all rights and equities of redemption under any foreclosure of this Mortgage and (if an Event of Default shall have occurred) all notice or notices of seizure, and all right to have the Mortgaged Property marshalled upon any foreclosure hereof. Mortgagee shall not be obligated to pursue or exhaust its rights or remedies as against any other part of the Mortgaged Property, and Mortgagor hereby waives any right or claim of right to have Mortgagee proceed in any particular order.

(m) Except as otherwise expressly set forth in this Mortgage, the Master Indenture or any Related Supplement, Mortgagee will not be deemed in any manner to have assumed any liabilities or obligations relating to the Mortgaged Property or any portion thereof. Mortgagor agrees that the exercise by Mortgagee of one or more of its rights and remedies under this Mortgage shall in no way be deemed or construed to make Mortgagee a mortgagee-in-possession.

(n) If Mortgagee shall have proceeded to enforce any right, power or remedy under this Mortgage by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to Mortgagee, then in every such case, Mortgagor and Mortgagee shall be restored to their former positions and

rights hereunder, and all such rights, powers and remedies of Mortgagee shall continue as if no such proceedings had occurred.

15. Right of Mortgagee to Credit Sale. Upon the occurrence of any sale made under this Mortgage, by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, Mortgagee may bid for and acquire the Mortgaged Property or any part thereof. In lieu of paying cash therefor, Mortgagee may make settlement for the purchase price by crediting upon the Secured Obligations or other sums secured by this Mortgage, the net sales price after deducting therefrom the expenses of sale and the cost of the action and any other sums which Mortgagee is authorized to deduct under this Mortgage, the Master Indenture, any Related Supplement and any Obligation. In such event, this Mortgage, the Master Indenture and documents evidencing expenditures secured hereby may be presented to the person or persons conducting the sale in order that the amount so used or applied may be credited upon the Secured Obligations as having been paid.

16. Extension, Release, etc.

(a) Without affecting the lien or charge of this Mortgage upon any portion of the Mortgaged Property not then or theretofore released as security for the full amount of the Secured Obligations, Mortgagee may, in accordance with the provisions of the Master Indenture, from time to time and without notice, agree to (i) release any person liable for the indebtedness borrowed or guaranteed under the Master Indenture, any Related Supplement and any Obligation, (ii) extend the maturity or alter any of the terms of the indebtedness borrowed or guaranteed under the Master Indenture, any Related Supplement and any Obligation, (iii) grant other indulgences, (iv) release or reconvey, or cause to be released or reconveyed at any time at Mortgagee's option any parcel, portion or all of the Mortgaged Property, (v) take or release any other or additional security for any obligation herein mentioned, or (vi) make compositions or other arrangements with debtors in relation thereto.

(b) No recovery of any judgment by Mortgagee and no levy of an execution under any judgment upon the Mortgaged Property or upon any other property of Mortgagor shall affect the lien of this Mortgage or any liens, rights, powers or remedies of Mortgagee hereunder, and such liens, rights, powers and remedies shall continue unimpaired.

(c) If Mortgagee shall have the right to foreclose this Mortgage, Mortgagor authorizes Mortgagee at its option to foreclose the lien of this Mortgage (or to sell the Mortgaged Property, as the case may be) subject to the rights of any tenants of the Mortgaged Property. The failure to make any such tenants parties defendant to any such foreclosure proceeding and to foreclose their rights, or to provide notice to such tenants as required in any statutory procedure governing a sale of the Mortgaged Property by Mortgagee, or to terminate such tenant's rights in such sale, will not be asserted by Mortgagor as a defense to any proceeding instituted by Mortgagee to collect the Secured Obligations or to foreclose the lien of this Mortgage.

(d) Unless expressly provided otherwise, in the event that ownership of this Mortgage and title to the Mortgaged Property or any estate therein shall become vested in the same person or entity, this Mortgage shall not merge in such title but shall continue as a valid lien on the Mortgaged Property for the amount secured hereby.

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17. Security Agreement under Uniform Commercial Code.

(a) It is the intention of the parties hereto that this Mortgage shall constitute a "security agreement" within the meaning of the Uniform Commercial Code (the "Code") of the State in which the Mortgaged Property is located. Accordingly, Mortgagor hereby grants to Mortgagee a security interest in the Mortgaged Property. If an Event of Default shall occur and be continuing under this Mortgage, then in addition to having any other right or remedy available at law or in equity, Mortgagee shall have the option of either (i) proceeding under the Code and exercising such rights and remedies as may be provided to a secured party by the Code with respect to all or any portion of the Mortgaged Property which is personal property (including, without limitation, taking possession of and selling such property) or (ii) treating such property as real property and proceeding with respect to both the real and personal property constituting the Mortgaged Property in accordance with Mortgagee's rights, powers and remedies with respect to the real property (in which event the default provisions of the Code shall not apply). If Mortgagee shall elect to proceed under the Code, then ten (10) Business Days' notice of sale of the personal property shall be deemed reasonable notice and the reasonable expenses of retaking, holding, preparing for sale, selling and the like incurred by Mortgagee shall include, but not be limited to, reasonable attorneys' fees and legal expenses. At Mortgagee's request, and upon reasonable prior written notice delivered to Mortgagor by Mortgagee, Mortgagor shall assemble the personal property and make it available to Mortgagee at a place designated by Mortgagee which is reasonably convenient to both parties.

(b) Certain portions of the Mortgaged Property are or will become "fixtures" (as that term is defined under the Code) on the Land, and this Mortgage, upon being filed for record in the real estate records of the county wherein such fixtures are situated, shall operate also as a financing statement filed and indexed as a fixture filing in accordance with the applicable provisions of said Code upon such portions of the Mortgaged Property which are fixtures and any personal property that may now be or hereafter become fixtures. The addresses of Mortgagor, as debtor, and Mortgagee, as secured party, are set forth in the first page of this Mortgage.

(c) The real property to which the fixtures relate is described in Schedule A attached hereto. The record owner of the real property described in Schedule A hereto is Mortgagor. The name, type of organization and jurisdiction of organization of the debtor for purposes of this financing statement are the name, type of organization and jurisdiction of organization of Mortgagor set forth in the first paragraph of this Mortgage, and the name of the secured party for purposes of this financing statement is the name of Mortgagee set forth in the first paragraph of this Mortgage. The mailing address of Mortgagor/debtor is the address of Mortgagor set forth in the first paragraph of this Mortgage. The mailing address of Mortgagee/secured party from which information concerning the security interest hereunder may be obtained is the address of Mortgagee set forth in the first paragraph of this Mortgage.

18. Intentionally Omitted

19. Additional Rights. The holder of any subordinate lien or subordinate mortgage on the Mortgaged Property shall have no right to terminate any Lease whether or not such Lease is subordinate to this Mortgage nor shall Mortgagor consent to any holder of any subordinate lien or subordinate mortgage joining any tenant under any Lease in any action to foreclose the lien or

modify, interfere with, disturb or terminate the rights of any tenant under any Lease. By recordation of this Mortgage all subordinate lienholders and the mortgagees and beneficiaries under subordinate mortgages are subject to and notified of this provision, and any action taken by any such lienholder or beneficiary contrary to this provision shall be null and void. Any such application shall not be construed to cure or waive any default or Event of Default or invalidate any act taken by Mortgagee on account of such default or Event of Default.

20. Notices. All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given as provided in the notice provisions of the Master Indenture.

21. No Oral Modification. Neither this Mortgage nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by Mortgagee and Mortgagor, subject to any consent required in accordance with the Master Indenture.

22. Partial Invalidity. In the event any one or more of the provisions contained in this Mortgage shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, but each shall be construed as if such invalid, illegal or unenforceable provision had never been included. Notwithstanding anything contained in this Mortgage or in any provisions of the Master Indenture, any Related Supplement and any Obligation, the obligations of Mortgagor and of any other obligor under the Master Indenture, any Related Supplement and any Obligation shall be subject to the limitation that Mortgagee shall not charge, take or receive, nor shall Mortgagor or any other obligor be obligated to pay to Mortgagee, any amounts constituting interest in excess of the maximum rate permitted by law to be charged by Mortgagee.

23. Mortgagor's Waiver of Additional Rights. To the fullest extent permitted by law, Mortgagor waives the benefit of all laws now existing or that may subsequently be enacted providing for (i) any appraisement before sale of any portion of the Mortgaged Property, (ii) any extension of the time for the enforcement of the collection of the Secured Obligations or the creation or extension of a period of redemption from any sale made in collecting such debt and (iii) exemption of the Mortgaged Property from attachment, levy or sale under execution or exemption from civil process. To the full extent Mortgagor may do so, Mortgagor agrees that Mortgagor will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisement, valuation, stay, exemption, extension or redemption, or requiring foreclosure of this Mortgage before exercising any other remedy granted hereunder and Mortgagor, for Mortgagor and its successors and assigns, and for any and all persons ever claiming any interest in the Mortgaged Property, to the extent permitted by law, hereby waives and releases all rights of redemption, valuation, appraisement, stay of execution, notice of election to mature (except as expressly provided in the Master Indenture, any Related Supplement and any Obligation) or declare due the whole of the secured indebtedness and marshalling in the event of exercise by Mortgagee of the foreclosure rights, or other rights hereby created.

24. Remedies Not Exclusive. Mortgagee shall be entitled to enforce payment and performance of the Secured Obligations and to exercise all rights and powers under this Mortgage

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or under the Master Indenture, any Related Supplement and any Obligation or other agreement or any laws now or hereafter in force, notwithstanding some or all of the Secured Obligations may now or hereafter be otherwise secured, whether by mortgage, security agreement, pledge, lien, assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement shall prejudice or in any manner affect Mortgagee's rights to realize upon or enforce any other security now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by Mortgagee in such order and manner as Mortgagee may determine in its absolute discretion. No remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by the Master Indenture, any Related Supplement and any Obligation to Mortgagee or to which either may otherwise be entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Mortgagee, as the case may be. In no event shall Mortgagee, in the exercise of the remedies provided in this Mortgage (including, without limitation, in connection with the assignment of Rents to Mortgagee, or the appointment of a receiver and the entry of such receiver on to all or any part of the Mortgaged Property), be deemed a "Mortgagee in possession," and Mortgagee shall not in any way be made liable for any act, either of commission or omission, in connection with the exercise of such remedies.

25. Multiple Security. If (a) the Premises shall consist of one or more parcels, whether or not contiguous and whether or not located in the same county, or (b) in addition to this Mortgage, Mortgagee shall now or hereafter hold or be the beneficiary of one or more additional mortgages, liens, deeds of trust or other security (directly or indirectly) for the Secured Obligations upon other property in the State in which the Premises are located (whether or not such property is owned by Mortgagor or by others) or (c) both the circumstances described in clauses (a) and (b) shall be true, then to the fullest extent permitted by law, Mortgagee may, at its election, commence or consolidate in a single foreclosure action all foreclosure proceedings instituted in accordance with the terms and conditions of this Mortgage against all such collateral securing the Secured Obligations (including the Mortgaged Property), which action may be brought or consolidated in the courts of, or sale conducted in, any county in which any of such collateral is located. Mortgagor acknowledges that the right to maintain a consolidated foreclosure action is a specific inducement to the Holders of the Obligations to extend indebtedness, and Mortgagor expressly and irrevocably waives any objections to the commencement or consolidation of the foreclosure proceedings in a single action and any objections to the laying of venue or based on the grounds of forum non conveniens which it may now or hereafter have. Mortgagor further agrees that if Mortgagee shall be prosecuting one or more foreclosure or other proceedings against a portion of the Mortgaged Property or against any collateral other than the Mortgaged Property, which collateral directly or indirectly secures the Secured Obligations, or if Mortgagee shall have obtained a judgment of foreclosure and sale or similar judgment against such collateral, then, whether or not such proceedings are being maintained or judgments were obtained in or outside the State in which the Premises are located, Mortgagee may commence or continue any foreclosure proceedings and exercise its other remedies granted in this Mortgage against all or any part of the Mortgaged Property and Mortgagor waives any objections to the commencement or continuation of a foreclosure of this Mortgage or exercise of any other remedies hereunder based on such other proceedings or judgments, and waives any right to seek to dismiss, stay, remove, transfer or consolidate either any action under this Mortgage or such other proceedings on such basis. Neither

the commencement nor continuation of proceedings to foreclose this Mortgage, nor the exercise of any other rights hereunder nor the recovery of any judgment by Mortgagee in any such proceedings or the occurrence of any sale in any such proceedings shall prejudice, limit or preclude Mortgagee's right to commence or continue one or more foreclosure or other proceedings or obtain a judgment against any other collateral (either in or outside the State in which the Premises are located) which directly or indirectly secures the Secured Obligations, and Mortgagor expressly waives any objections to the commencement of, continuation of, or entry of a judgment in such other sales or proceedings or exercise of any remedies in such sales or proceedings based upon any action or judgment connected to this Mortgage, and Mortgagor also waives any right to seek to dismiss, stay, remove, transfer or consolidate either such other sales or proceedings or any sale or action under this Mortgage on such basis. It is expressly understood and agreed that to the fullest extent permitted by law, Mortgagee may, at its election, cause the sale of all collateral which is the subject of a single foreclosure action at either a single sale or at multiple sales conducted simultaneously and take such other measures as are appropriate in order to effect the agreement of the parties to dispose of and administer all collateral securing the Secured Obligations (directly or indirectly) in the most economical and least time-consuming manner.

26. Successors and Assigns. All covenants of Mortgagor contained in this Mortgage are imposed solely and exclusively for the benefit of Mortgagee, and its successors and assigns, and no other person or entity shall have standing to require compliance with such covenants or be deemed, under any circumstances, to be a beneficiary of such covenants, any or all of which may be freely waived in whole or in part by Mortgagee at any time if, in its sole discretion, such a waiver is deemed advisable. All such covenants of Mortgagor shall run with the land and bind Mortgagor, the successors and assigns of Mortgagor and all subsequent owners, encumbrancers and tenants of the Mortgaged Property, and shall inure to the benefit of Mortgagee and its successors and assigns. If there shall be more than one Mortgagor, the obligations of Mortgagors shall be joint and several.

27. No Waivers, etc. Any failure by Mortgagee to insist upon the strict performance by Mortgagor of any of the terms and provisions of this Mortgage shall not be deemed to be a waiver of any of the terms and provisions hereof, and Mortgagee, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Mortgagor of any and all of the terms and provisions of this Mortgage to be performed by Mortgagor. Mortgagee may release, regardless of consideration and without the necessity for any notice to or consent by the holder of any subordinate lien on the Mortgaged Property, any part of the security held for the Secured Obligations without, as to the remainder of the security, in any way impairing or affecting the lien of this Mortgage or the priority of such lien over any subordinate lien or mortgage.

28. Governing Law, etc. This Mortgage shall be governed by and construed and interpreted in accordance with the laws of the STATE OF FLORIDA, without giving effect to principles of conflicts of laws.

29. Certain Definitions. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Mortgage shall be used interchangeably in singular or plural form and the word "Mortgagor" shall mean "each Mortgagor or any subsequent owner or owners of the Mortgaged Property or any part thereof or interest therein," the word "Mortgagee" shall mean "Mortgagee or any successor trustee under the Master Indenture,"

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the word "person" shall include any individual, corporation, partnership, limited liability company, trust, unincorporated association, government, governmental authority, or other entity, and the words "Mortgaged Property" shall include any portion of the Mortgaged Property or interest therein. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa. The captions in this Mortgage are for convenience or reference only and in no way limit or amplify the provisions hereof.

30. Enforcement of Expenses; Indemnification. To the extent required to be paid or reimbursed by Mortgagor under Section 7.05 of the Master Indenture,

(a) Mortgagor agrees to pay or reimburse Mortgagee for all its costs and expenses incurred in enforcing or preserving any rights under this Mortgage and the Master Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and its agents).

(b) Mortgagor agrees to pay, and to save Mortgagee harmless from, any and all liabilities with respect to, or resulting from any delay in paying, any and all stamp, excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Mortgaged Property or in connection with any of the transactions contemplated by this Mortgage.

(c) Mortgagor agrees to pay, and to save Mortgagee harmless from, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance and administration of this Mortgage to the extent Mortgagor would be required to do so pursuant to Section 7.05 of the Master Indenture.

(d) The agreements in this Section 30 shall survive repayment of the Secured Obligations and all other amounts payable under the Master Indenture, any Related Supplement and any Obligation.

31. Last Dollars Secured; Priority

This Mortgage secures only a portion of the indebtedness owing or which may become owing by Mortgagor to the Holders of the Obligations. The parties agree that any payments or repayments of such indebtedness shall be and be deemed to be applied first to the portion of the indebtedness that is not secured hereby, it being the parties' intent that the portion of the indebtedness last remaining unpaid shall be secured hereby. If at any time this Mortgage shall secure less than all of the principal amount of the Secured Obligations, it is expressly agreed that any repayments of the principal amount of the Secured Obligations shall not reduce the amount of the lien of this Mortgage until the lien amount shall equal the principal amount of the Secured Obligations outstanding.

32. Release; Termination. (a) At such time as the Secured Obligations shall have been paid in full and satisfied, the Mortgaged Property shall be automatically released from the liens created hereby, and this Mortgage and all obligations (other than those expressly stated to survive such termination) of Mortgagee and Mortgagor hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Mortgaged Property

shall revert to Mortgagor. At the request and sole expense of Mortgagor following any such termination, Mortgagee shall execute and deliver to Mortgagor or such documents as Mortgagor shall reasonably request to evidence such termination.

(b) If any of the Mortgaged Property shall be sold, transferred or otherwise disposed of by Mortgagor in a transaction permitted by the Master Indenture, then Mortgagee, at the request and sole expense of Mortgagor, shall execute and deliver to Mortgagor all releases or other documents reasonably necessary or desirable for the release of the liens created hereby on such Mortgaged Property.

33. Counterparts. This Mortgage may be executed in any number of counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same document.

34. State Specific Provisions; Incorporation by Reference.

(a) In the event of any inconsistencies between the terms and conditions of this Article 34 and the other terms and conditions of this Security Instrument, the terms and conditions of this Article 34 shall control and be binding.

(b) Where any provisions of this Mortgage is inconsistent with any provision of Florida law regulating the creation, perfection or enforcement of a lien or security interest in real or personal property, the provisions of Florida law shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provisions of this Mortgage that can be construed in a manner consistent with Florida law.

(c) The assignment of leases and rents contained in this Mortgage, from Mortgagor to Mortgagee, is intended to and does constitute an assignment of leases and rents as contemplated in Florida Statutes Section 697.07. Upon the occurrence and during the continuance of an Event of Default, Lender shall be entitled to all of the rights and remedies provided in said Section 697.07, in addition to all rights and remedies, whether procedural or substantive, in effect at the time of execution or enforcement of this Mortgage.

(d) This Mortgage is given to secure not only the existing Obligations, but also such future advances, whether such advances are obligatory or are to be made at the option of Mortgagee or the holder hereof, or otherwise as are made within twenty (20) years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage. The total amount of Obligations that may be so secured by this Mortgage may be increased or decreased from time to time, but the total unpaid balance so secured at any one time shall not exceed twice the face amount of the Master Indenture, plus interest thereon, and any disbursements made under this Mortgage for the payment of impositions, taxes, assessments, levies, insurance, or otherwise with interest on such disbursements at the rate set forth in the Master Indenture, plus any increases in the principal balance as the result of negative amortization or deferred interest, if any. It is agreed that any additional sum or sums advanced by Mortgagee pursuant to the terms hereof shall be equally secured with and have the same priority as the original Indebtedness and shall be subject to all of the terms, provisions and conditions of this Mortgage, whether or not such additional loans or advances are evidenced by other promissory notes or other

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guaranties of Mortgagor and whether or not identified by a recital that it or they are secured by this Mortgage. It is further agreed that any additional promissory note or guaranty or promissory notes or guaranties executed and delivered pursuant to this paragraph shall automatically be deemed to be included in the term "Master Indenture" wherever it appears in the context of this Mortgage. Without the prior written consent of Mortgagee, which Mortgagee may grant or withhold in its sole discretion, Borrower shall not file for record any notice limiting the maximum principal amount that may be secured by this Security Instrument to a sum less than the maximum principal amount set forth in this paragraph.

[Intentionally Left Blank]

This Mortgage has been duly executed by Mortgagor as of the date first set forth above and is intended to be effective as of such date.

ALP NAPLES, LLC,
a Delaware limited liability company

By: Alpha Lifestyle Partners Florida, Inc.,
its sole member

By: _____
Name: Cassidy Dines
Title: President

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ACKNOWLEDGEMENTS

STATE OF COLORADO)
)
COUNTY OF DENVER)

Before me, _____, a Notary Public of said County and State, personally appeared Cassidy Dines, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged herself to be President of Alpha Lifestyle Partners Florida, Inc., the sole member of ALP Naples, LLC, the within named mortgagor, a Delaware limited liability company, and that she as such President, executed the foregoing instrument for the purposes therein contained, by signing the name of the company by herself as President of Alpha Lifestyle Partners Florida, Inc., the sole member of ALP Naples, LLC, a Delaware limited liability company.

Witness my hand and seal, at Office, this _____ day of _____, 2025.

_____
Notary Public

My Commission Expires: _____

Schedule A

Description of the Land

LAND Unit 3, according to the Declaration of Condominium of CAPITAL CENTER LAND CONDOMINIUM, a Commercial Land Condominium, dated March 12, 2006 and recorded March 12, 2007 in Official Records Book 4195, at Pages 2390 through 2456, both inclusive, of the Public Records of Collier County, Florida; as amended by instrument dated January 31, 2008 and recorded February 4, 2008 in Official Records Book 4326, at Pages 3117 through 3120, both inclusive, of the Public Records of Collier County, Florida; as further amended by instrument dated and recorded December 10, 2014 in Official Records Book 5102, at Pages 2223 through 2235, both inclusive, of the Public Records of Collier County, Florida; as further amended by instrument dated February 2, 2017 and recorded February 10, 2017 in Official Records Book 5362, at Pages 175 through 179, both inclusive, of the Public Records of Collier County, Florida; as further amended by instrument dated February 10, 2017 and recorded February 10, 2017 in Official Records Book 5362, at Pages 204 through 236, both inclusive; and as further amended by instrument dated October 29, 2021 and recorded November 3, 2021 in Official Records Book 6036, at Pages 3347 through 3355, both inclusive, of the Public Records of Collier County, Florida, together with all appurtenances thereto.

Said Land Unit 3 being located on the following described real property:

PARCEL 1 (Fee Simple):

A PARCEL OF LAND LYING IN SECTION 23, TOWNSHIP 49 SOUTH, RANGE 25 EAST, COLLIER COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF CAPITAL CENTER LAND CONDOMINIUM AS RECORDED IN OFFICIAL RECORDS BOOK 4195, PAGE 2390 OF THE PUBLIC RECORDS OF COLLIER COUNTY, FLORIDA, THENCE SOUTH 02 DEGREES 43 MINUTES 42 SECONDS EAST ON THE EAST LINE OF SAID CONDOMINIUM FOR 84.49 FEET;

THENCE SOUTH 87 DEGREES 16 MINUTES 18 SECONDS WEST, DEPARTING SAID EAST LINE FOR 134.34 FEET TO THE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL:

THENCE SOUTH 02 DEGREES 59 MINUTES 31 SECONDS EAST FOR 139.45 FEET TO A POINT OF CURVATURE;

THENCE SOUTHWESTERLY 42.93 FEET ALONG THE ARC OF A TANGENTIAL CURVE TO THE RIGHT HAVING A RADIUS OF 27.33 FEET THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS SOUTH 42 DEGREES 00 MINUTES 29 SECONDS WEST FOR 38.65 FEET;

THENCE SOUTH 87 DEGREES 00 MINUTES 29 SECONDS WEST FOR 105.11 FEET;

THENCE WESTERLY 7.33 FEET ALONG THE ARC OF A NON-TANGENTIAL CURVE TO THE RIGHT HAVING A RADIUS OF 9.33 FEET THROUGH A CENTRAL ANGLE OF 45 DEGREES 00 MINUTES 08 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS NORTH 70 DEGREES 29 MINUTES 31 SECONDS WEST FOR 7.14 FEET;

THENCE NORTH 47 DEGREES 59 MINUTES 31 SECONDS WEST FOR 3.03 FEET TO A POINT OF CURVATURE;

THENCE WESTERLY 8.38 FEET ALONG THE ARC OF A TANGENTIAL CURVE TO THE LEFT HAVING A RADIUS OF 10.67 FEET THROUGH A CENTRAL ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS NORTH 70 DEGREES 29 MINUTES 31 SECONDS WEST FOR 8.17 FEET;

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THENCE SOUTH 87 DEGREES 00 MINUTES 29 SECONDS WEST FOR 57.43 FEET TO A POINT OF CURVATURE;

THENCE SOUTHWESTERLY 8.38 FEET ALONG THE ARC OF A TANGENTIAL CURVE TO THE LEFT HAVING A RADIUS OF 10.67 FEET THROUGH A CENTRAL ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS SOUTH 64 DEGREES 30 MINUTES 29 SECONDS WEST FOR 8.17 FEET.

THENCE SOUTH 42 DEGREES 00 MINUTES 29 SECONDS WEST FOR 3.03 FEET TO A POINT OF CURVATURE:

THENCE SOUTHWESTERLY 7.33 FEET ALONG THE ARC OF A TANGENTIAL CURVE TO THE RIGHT HAVING A RADIUS OF 9.33 FEET THROUGH A CENTRAL ANGLE OF 44 DEGREES 59 MINUTES 56 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS SOUTH 64 DEGREES 30 MINUTES 26 SECONDS WEST FOR 7.14 FEET;

THENCE SOUTH 87 DEGREES 00 MINUTES 29 SECONDS WEST FOR 118.11 FEET TO A POINT OF CURVATURE;

THENCE NORTHWESTERLY 22.51 FEET ALONG THE ARC OF A TANGENTIAL CURVE TO THE RIGHT HAVING A RADIUS OF 14.33 FEET THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS N.47 DEGREES 59 MINUTES 31 SECONDS W. FOR 20.27 FEET;

THENCE NORTH 02 DEGREES 59 MINUTES 31 SECONDS WEST, FOR 173.45 FEET TO A POINT OF CURVATURE;

THENCE NORTHEASTERLY 22.51 FEET ALONG THE ARC OF A TANGENTIAL CURVE TO THE RIGHT HAVING A RADIUS OF 14.33 FEET THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS NORTH 42 DEGREES 00 MINUTES 29 SECONDS EAST FOR 20.27 FEET;

THENCE NORTH 87 DEGREES 00 MINUTES 29 SECONDS EAST FOR 8.84 FEET TO A POINT OF CURVATURE;

THENCE EASTERLY 1.83 FEET ALONG THE ARC OF A TANGENTIAL CURVE TO THE RIGHT HAVING A RADIUS OF 2.33 FEET THROUGH A CENTRAL ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS SOUTH 70 DEGREES 29 MINUTES 31 SECONDS EAST FOR 1.78 FEET;

THENCE SOUTH 47 DEGREES 59 MINUTES 31 SECONDS EAST FOR 11.76 FEET;

THENCE NORTH 87 DEGREES 00 MINUTES 29 SECONDS EAST FOR 69.56 FEET;

THENCE NORTH 42 DEGREES 00 MINUTES 29 SECONDS EAST FOR 10.93 FEET TO A POINT OF CURVATURE;

THENCE NORTHEASTERLY 3.40 FEET ALONG THE ARC OF A TANGENTIAL CURVE TO THE RIGHT HAVING A RADIUS OF 4.33 FEET THROUGH A CENTRAL ANGLE OF 45 DEGREES 01 MINUTES 08 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS NORTH 64 DEGREES 31 MINUTES 02 SECONDS EAST FOR 3.32 FEET TO A POINT OF COMPOUND CURVATURE;

THENCE EASTERLY 3.71 FEET ALONG THE ARC OF A COMPOUND CURVE TO THE RIGHT HAVING A RADIUS OF 9.35 FEET THROUGH A CENTRAL ANGLE OF 22 DEGREES 44 MINUTES 56 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS SOUTH 81 DEGREES 35 MINUTES 56 SECONDS EAST FOR 3.69 FEET TO A POINT OF COMPOUND CURVATURE;

THENCE SOUTHEASTERLY 3.71 FEET ALONG THE ARC OF A COMPOUND CURVE TO THE RIGHT HAVING A RADIUS OF 9.31 FEET THROUGH A CENTRAL ANGLE OF 22 DEGREES 49 MINUTES 26 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS SOUTH 58 DEGREES 48 MINUTES 44 SECONDS EAST FOR 3.69 FEET TO A POINT OF REVERSE CURVATURE;

THENCE EASTERLY 8.49 FEET ALONG THE ARC OF A REVERSE CURVE TO THE LEFT HAVING A RADIUS OF 10.66 FEET THROUGH A CENTRAL ANGLE OF 45 DEGREES 36 MINUTES 38 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS SOUTH 70 DEGREES 12 MINUTES 20 SECONDS EAST FOR 8.26 FEET;

THENCE NORTH 87 DEGREES 00 MINUTES 29 SECONDS EAST, FOR 96.19 FEET TO A POINT OF CURVATURE;

THENCE NORTHEASTERLY 8.38 FEET ALONG THE ARC OF A TANGENTIAL CURVE TO THE LEFT HAVING A RADIUS OF 10.67 FEET THROUGH A CENTRAL ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS NORTH 64 DEGREES 30 MINUTES 29 SECONDS EAST FOR 8.17 FEET TO A POINT OF REVERSE CURVATURE;

THENCE NORTHEASTERLY 4.91 FEET ALONG THE ARC OF A REVERSE CURVE TO THE RIGHT HAVING A RADIUS OF 10.13 FEET THROUGH A CENTRAL ANGLE OF 27 DEGREES 47 MINUTES 00 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS NORTH 55 DEGREES 53 MINUTES 59 SECONDS EAST FOR 4.86 FEET TO A POINT OF COMPOUND CURVATURE;

THENCE EASTERLY 2.49 FEET ALONG THE ARC OF A COMPOUND CURVE TO THE RIGHT HAVING A RADIUS OF 2.25 FEET THROUGH A CENTRAL ANGLE OF 63 DEGREES 24 MINUTES 06 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS SOUTH 78 DEGREES 30 MINUTES 29 SECONDS EAST FOR 2.37 FEET;

THENCE SOUTH 47 DEGREES 59 MINUTES 31 SECONDS EAST FOR 11.38 FEET;

THENCE NORTH 87 DEGREES 00 MINUTES 29 SECONDS EAST FOR 69.56 FEET;

THENCE NORTH 42 DEGREES 00 MINUTES 29 SECONDS EAST FOR 11.11 FEET TO A POINT OF CURVATURE;

THENCE EASTERLY 2.22 FEET ALONG THE ARC OF A TANGENTIAL CURVE TO THE RIGHT HAVING A RADIUS OF 2.33 FEET THROUGH A CENTRAL ANGLE OF 54 DEGREES 36 MINUTES 13 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS NORTH 69 DEGREES 18 MINUTES 35 SECONDS EAST FOR 2.14 FEET TO A POINT OF COMPOUND CURVATURE; THENCE SOUTHEASTERLY 49.57 FEET ALONG THE ARC OF A COMPOUND CURVE TO THE RIGHT HAVING A RADIUS OF 35.33 FEET THROUGH A CENTRAL ANGLE OF 80 DEGREES 23 MINUTES 47 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS SOUTH 43 DEGREES 11 MINUTES 25 SECONDS EAST FOR 45.61 FEET TO THE POINT OF BEGINNING OF THE PARCEL DESCRIBED HEREIN;

BEARINGS HEREINABOVE MENTIONED ARE BASED ON THE EAST LINE OF CAPITAL CENTER LAND CONDOMINIUM AS RECORDED IN OFFICIAL RECORDS BOOK 4195, PAGE 2390, PUBLIC RECORDS OF COLLIER COUNTY, FLORIDA TO BEAR SOUTH 02 DEGREES 43 MINUTES 42 SECONDS EAST.

PARCEL 2 (Fee Simple):

A PARCEL OF LAND LYING IN SECTION 23, TOWNSHIP 49 SOUTH, RANGE 25 EAST, COLLIER COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF CAPITAL CENTER LAND CONDOMINIUM AS RECORDED IN OFFICIAL RECORDS BOOK 4195, PAGE 2390 OF THE PUBLIC RECORDS OF COLLIER

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COUNTY, FLORIDA THENCE SOUTH 89 DEGREES 14 MINUTES 53 SECONDS WEST ON THE NORTH LINE OF SAID CONDOMINIUM FOR 521.44 FEET;

THENCE SOUTH 00 DEGREES 45 MINUTES 07 SECONDS EAST, DEPARTING SAID NORTH LINE FOR 23.90 FEET TO THE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL;

THENCE SOUTH 02 DEGREES 41 MINUTES 24 SECONDS EAST FOR 35.46 FEET TO A POINT ON A CURVE;

THENCE WESTERLY 5.69 FEET ALONG THE ARC OF A NON-TANGENTIAL CURVE TO THE RIGHT HAVING A RADIUS OF 14.33 FEET THROUGH A CENTRAL ANGLE OF 22 DEGREES 46 MINUTES 05 SECONDS AND BEING SUBTENDED BY A CHORD WHICH BEARS SOUTH 75 DEGREES 55 MINUTES 32 SECONDS WEST FOR 5.66 FEET;

THENCE SOUTH 87 DEGREES 18 MINUTES 35 SECONDS WEST FOR 51.27 FEET;

THENCE NORTH 02 DEGREES 41 MINUTES 25 SECONDS WEST FOR 36.57 FEET;

THENCE NORTH 87 DEGREES 18 MINUTES 35 SECONDS EAST FOR 56.81 FEET TO THE POINT OF BEGINNING OF THE PARCEL DESCRIBED HEREIN;

BEARINGS HEREINABOVE MENTIONED ARE BASED ON THE NORTH LINE OF CAPITAL CENTER LAND CONDOMINIUM AS RECORDED IN OFFICIAL RECORDS BOOK 4195, PAGE 2390, PUBLIC RECORDS OF COLLIER COUNTY, FLORIDA TO BEAR SOUTH 89 DEGREES 14 MINUTES 53 SECONDS WEST.

PARCEL 3 (Easement Estate):

TOGETHER WITH non-exclusive ingress and egress, construction, and utility easements, for the benefit of Parcels 1 and 2 above, as set forth and described in that certain Declaration of Condominium of Capital Center Land Condominium, a Commercial Land Condominium, and exhibits thereto, recorded in Official Records Book 4195, Page 2390; as amended by Amendment to Declaration of Condominium of Capital Center Land Condominium, a Commercial Land Condominium recorded in Official Records Book 4326, Page 3117; as further amended by Certificate of Amendment to Declaration of Condominium of Capital Center Land Condominium, a Commercial Land Condominium Adding Phase II recorded in Official Records Book 5102, Page 2223; as further amended by Certificate of Amendment to Declaration of Capital Land Condominium, a Commercial Land Condominium recorded in Official Records Book 5362, Page 175; as further amended by Fourth Amendment to Declaration of Capital Center Land Condominium, a Commercial Land Condominium recorded in Official Records Book 5362, Page 204, as further amended by Fifth Amendment to Declaration of Capital Center Land Condominium, a Commercial Land Condominium recorded in Official Records Book 6036, Page 3347, of the Public Records of Collier County, Florida.

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Prepared by, and after recording, please return to:
Nixon Peabody LLP
1300 Clinton Square
Rochester, New York 14604
Attn: Katie Baynes

MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS, FINANCING STATEMENT AND FIXTURE FILING

made by

ALP VENICE, LLC,
Mortgagor

to

UMB BANK, N.A., as Master Trustee, Mortgagee

Dated as of September [__], 2025
Location: 2321 East Venice Avenue, Venice, Florida 34292
County of Sarasota
Tax Map # 0414080015

NOTE TO RECORDER:

THIS MORTGAGE SECURES THE FOLLOWING OBLIGATIONS:

CERTAIN OBLIGATIONS EXECUTED BY THE MORTGAGOR IN FAVOR OF THE MORTGAGEE FOR THE REPAYMENT OF BONDS ISSUED BY CAPITAL TRUST AGENCY PURSUANT TO CHAPTER 159, PART II, FLORIDA STATUTES (THE "BOND OBLIGATIONS"). THE BOND OBLIGATIONS AND THE MORTGAGES SECURING THE BOND OBLIGATIONS ARE EXEMPT FROM FLORIDA NON-RECURRING INTANGIBLE TAXES AND DOCUMENTARY STAMP TAXES PURSUANT TO SECTIONS 159.31 AND 159.50, FLORIDA STATUTES.

THIS MORTGAGE SECURES OBLIGATORY ADVANCES AND IS MADE FOR COMMERCIAL PURPOSES.

FIXTURE FILING: This Instrument is also a Uniform Commercial Code financing statement filed as a fixture filing in accordance with Fla. Stat. § 679.5021. The collateral is described in this Mortgage, and includes goods that are or may become affixed to the real property described herein. The name and addresses of the debtor (Mortgagor) and the secured party (Mortgagee) are set forth below. The record owner of the real property is ALP Venice, LLC.

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MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS, FINANCING STATEMENT AND FIXTURE FILING

THIS MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS, FINANCING STATEMENT AND FIXTURE FILING, dated as of September [___], 2025 is made by ALP VENICE, LLC, a Delaware limited liability company ("Mortgagor"), whose address is 201 South Columbine Street, Unit 300, Denver, Colorado 80206, to UMB BANK, N.A., as master trustee under the Master Indenture (as defined below) (in such capacity, and including its successors and permitted assigns from time to time under the Master Indenture, "Mortgagee"), whose address is 7155 Lake Drive, Suite 120, West Des Moines, Iowa 50266. References to this "Mortgage" shall mean this instrument and any and all renewals, modifications, amendments, supplements, extensions, consolidations, substitutions, spreaders and replacements of this instrument.

Background

A. Mortgagor is the owner of the fee simple estate in the parcel(s) of real property described on Schedule A attached hereto (the "Land"), and owns all of the buildings, improvements, structures, and fixtures now located on the Land (the "Improvements"; the Land and the Improvements being collectively referred to as the "Real Estate").

B. Mortgagor requested financial assistance in financing the acquisition of certain senior living facilities (collectively, the "Projects"), which includes, but is not limited to, the Real Estate.

C. ALPHA LIFESTYLE PARTNERS, INC., a Delaware nonstock corporation, Mortgagor, the other members of the Obligated Group named therein and Mortgagee are parties to that certain Master Trust Indenture, dated as of September [___], 2025 (as amended, supplemented, restated, replaced, substituted or otherwise modified from time to time, the "Master Indenture"), for the purpose of providing for the issuance from time to time of obligations thereunder to provide security for the financing of the acquisition, construction, improvement, equipping and furnishing of the Projects, or for other lawful and proper corporate purposes (collectively, the "Obligations").

D. The Master Indenture requires Mortgagor to deliver a duly executed copy of this Mortgage.

NOW, THEREFORE, in consideration of the premises and for other valuable consideration, the receipt and sufficiency of which the parties hereto hereby acknowledge, Mortgagor hereby agrees with Mortgagee, for the ratable benefit of the Holders of the Obligations, as follows:

Granting Clauses

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor agrees that to secure the prompt and complete payment and performance in full when due (whether at stated maturity, by required prepayment, declaration,

acceleration, demand or otherwise, including the payment of amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code) of all of the Obligations issued under the Master Indenture (collectively, the "Secured Obligations");

MORTGAGOR HEREBY GRANTS TO MORTGAGEE, A LIEN UPON AND A SECURITY INTEREST IN, AND HEREBY MORTGAGES AND WARRANTS, GRANTS, ASSIGNS, TRANSFERS AND SETS OVER TO MORTGAGEE, FOR THE BENEFIT OF THE HOLDERS OF THE OBLIGATIONS AND WITH ALL OTHER STATUTORY RIGHTS AND COVENANTS IN THE STATE IN WHICH THE REAL ESTATE IS LOCATED, ALL OF MORTGAGOR'S RIGHT, TITLE AND INTEREST IN AND TO THE FOLLOWING DESCRIBED PROPERTY:

(a) the Real Estate or any part thereof;

(b) all easements, rights of way, licenses, operating agreements, abutting strips and gores of land, streets, ways, alleys, passages, sewer rights, waters, water courses, water and flowage rights, development rights, air rights, mineral and soil rights, plants, standing and fallen timber, and all estates, rights, titles, interests, privileges, licenses, tenements, hereditaments and appurtenances belonging, relating or appertaining to the Real Estate, and any reversions, remainders, rents, issues, profits and revenue thereof and all land lying in the bed of any street, road or avenue, in front of or adjoining the Real Estate to the center line thereof;

(c) all of the fixtures, chattels, business machines, machinery, apparatus, equipment, furnishings, fittings, appliances and articles of personal property of every kind and nature whatsoever, and all appurtenances and additions thereto and substitutions or replacements thereof (together with, in each case, attachments, components, parts and accessories) attached to, or contained in or used or usable in any way in connection with any operation or letting of the Real Estate, including but without limiting the generality of the foregoing, all screens, awnings, shades, blinds, curtains, draperies, artwork, carpets, rugs, storm doors and windows, furniture and furnishings, heating, electrical, and mechanical equipment, lighting, switchboards, plumbing, ventilating, air conditioning and air-cooling apparatus, refrigerating, and incinerating equipment, escalators, elevators, loading and unloading equipment and systems, stoves, ranges, laundry equipment, cleaning systems (including window cleaning apparatus), telephones, communication systems (including satellite dishes and antennae), televisions, computers, sprinkler systems and other fire prevention and extinguishing apparatus and materials, security systems, motors, engines, machinery, pipes, pumps, tanks, conduits, appliances, fittings and fixtures of every kind and description (all of the foregoing in this paragraph (c) being referred to as the "Equipment");

(d) all substitutes and replacements of, and all additions and improvements to, the Real Estate and the Equipment, subsequently acquired by or released to Mortgagor or constructed, assembled or placed by Mortgagor on the Real Estate, immediately upon such acquisition, release, construction, assembling or placement, including, without limitation, any and all building materials whether stored at the Real Estate or offsite, and, in each such case, without any further deed, conveyance, assignment or other act by Mortgagor;

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(e) all leases, subleases, underlettings, concession agreements, management agreements, licenses and other agreements relating to the use or occupancy of the Real Estate or the Equipment or any part thereof, now existing or subsequently entered into by Mortgagor and whether written or oral and all guarantees of any of the foregoing (collectively, as any of the foregoing may be amended, restated, extended, renewed or modified from time to time, the "Leases"), and all rights of Mortgagor in respect of cash and securities deposited thereunder and the right to receive and collect the revenues, income, rents, issues and profits thereof, together with all other rents, royalties, issues, profits, revenue, income and other benefits arising from the use and enjoyment of the Mortgaged Property (as defined below) (collectively, the "Rents");

(f) all unearned premiums under insurance policies relating to the Real Estate or Equipment and all proceeds of any such insurance policies (including title insurance policies) including the right to collect and receive such proceeds, subject to the provisions relating to insurance generally set forth below; and all awards and other compensation, including the interest payable thereon and the right to collect and receive the same, made to the present or any subsequent owner of the Real Estate or Equipment for the taking by eminent domain, condemnation or otherwise, of all or any part of the Real Estate or any easement or other right therein;

(g) to the extent not prohibited under the applicable contract, consent, license or other item unless the appropriate consent has been obtained, (i) all contracts from time to time executed by Mortgagor or any manager or agent on its behalf relating to the ownership, construction, maintenance, repair, operation, occupancy, sale or financing of the Real Estate or Equipment or any part thereof and all agreements and options relating to the purchase or lease of any portion of the Real Estate or any property which is adjacent or peripheral to the Real Estate, together with the right to exercise such options and all leases of Equipment, (ii) all consents, licenses, building permits, certificates of occupancy and other governmental approvals relating to construction, completion, occupancy, use or operation of the Real Estate or any part thereof, and (iii) all drawings, plans, specifications and similar or related items relating to the Real Estate; and

(h) all proceeds, both cash and noncash, of the foregoing;

All of the foregoing property and rights and interests now owned or held or subsequently acquired by Mortgagor and described in the foregoing clauses (a) through (c) are collectively referred to as the "Premises", and those described in the foregoing clauses (a) through (h) are collectively referred to as the "Mortgaged Property."

TO HAVE AND TO HOLD the Mortgaged Property and the rights and privileges hereby mortgaged unto Mortgagee, its successors and assigns, for the uses and purposes set forth, until the Secured Obligations are fully paid and performed.

This Mortgage covers present and future advances and re-advances, in the aggregate amount of the Secured Obligations, and the lien of such future advances and re-advances shall relate back to the date of this Mortgage.

Terms and Conditions

Mortgagor further represents, warrants, covenants and agrees with Mortgagee and the Holders of the Obligations as follows:

1. Defined Terms. Capitalized terms used herein (including in the "Background" and "Granting Clauses" sections above) and not otherwise defined herein shall have the meanings ascribed thereto in the Master Indenture.

2. Warranty of Title. Mortgagor warrants that it has record title in fee simple to the Real Estate, and good title to the rest of the Mortgaged Property, subject only to the matters that are set forth in Schedule B of the title insurance policy being issued to Mortgagee to insure the lien of this Mortgage and any other lien or encumbrance as permitted by the Master Indenture (the "Permitted Exceptions"). Mortgagor shall warrant, defend and preserve such title and the lien of this Mortgage against all claims of all persons and entities (not including the holders of the Permitted Exceptions). Mortgagor represents and warrants that it has the right to mortgage the Mortgaged Property.

3. Payment of Secured Obligations. Mortgagor shall pay and perform the Secured Obligations at the times and places and in the manner specified in the Master Indenture and each Related Supplement.

4. Requirements. Mortgagor shall comply with all covenants, restrictions and conditions now or later of record which may be applicable to any of the Mortgaged Property, or to the use, manner of use, occupancy, possession, operation, maintenance, alteration, repair or reconstruction of any of the Mortgaged Property, provided, however Mortgagor shall not be required to comply with any law, ordinance, approval or regulation as long as it shall in good faith contest the validity thereof.

5. Payment of Taxes and Other Impositions.

(a) Prior to the date on which any fine, penalty, interest or cost may be added thereto or imposed, Mortgagor shall pay and discharge all taxes, charges and assessments of every kind and nature, all charges for any easement or agreement maintained for the benefit of any of the Real Estate, all general and special assessments, levies, permits, inspection and license fees, all water and sewer rents and charges, vault taxes and all other public charges even if unforeseen or extraordinary, imposed upon or assessed against or which may become a lien on any of the Real Estate, or arising in respect of the occupancy, use or possession thereof, together with any penalties or interest on any of the foregoing (all of the foregoing are collectively referred to herein as the "Impositions"), provided, however, that Mortgagor shall not be required to pay any tax, assessment, rate or charge as herein provided as long as it (i) shall in good faith contest the validity thereof or shall have applied for property tax exemption, which Mortgagor reasonably expects to receive and such exemption, if granted, would be effective with respect to such tax, assessment, rate or charge, or (ii) shall have entered into an agreement with the applicable taxing authority for the payment of such taxes in installments (to the extent applicable) and remains in compliance with such agreement. If by law any Imposition, at Mortgagor's option, may be paid in installments (whether or not interest shall accrue on the unpaid balance of such Imposition), Mortgagor may

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elect to pay such Imposition in such installments and shall be responsible for the payment of such installments with interest, if any.

(b) Mortgagee may pay any Imposition after the date such Imposition shall have become delinquent, and add to the Secured Obligations the amount so paid, together with interest from the time of payment at an interest rate of ten percent (10%) per annum, but not to exceed the maximum rate permitted by law. Any sums paid by Mortgagee in discharge of any Impositions shall be (i) a lien on the Premises secured hereby prior to any right or title to, interest in, or claim upon the Premises subordinate to the lien of this Mortgage, and (ii) payable on demand by Mortgagor to Mortgagee together with interest at an interest rate of ten percent (10%) per annum, but not to exceed the maximum rate permitted by law, as set forth above.

6. Insurance. Mortgagor shall maintain, with financially sound and reputable companies, insurance as set forth in Section 3.04 of the Master Indenture.

7. Restrictions on Liens and Encumbrances. Except for the lien of this Mortgage and the Permitted Exceptions and except as may be expressly permitted by the Master Indenture, Mortgagor shall not further mortgage, nor otherwise encumber the Mortgaged Property nor create or suffer to exist any lien, charge or encumbrance on the Mortgaged Property, or any part thereof, whether superior or subordinate to the lien of this Mortgage and whether recourse or non-recourse.

8. Due on Sale and Other Transfer Restrictions. Except as expressly permitted under the Master Indenture, Mortgagor shall not sell, transfer, convey or assign all or any portion of, or any interest in, the Mortgaged Property.

9. Condemnation/Eminent Domain. Promptly upon obtaining knowledge of the institution of any proceedings for the condemnation of the Mortgaged Property, or any material portion thereof, Mortgagor will notify Mortgagee of the pendency of such proceedings. All awards and proceeds relating to such condemnation shall be administered and applied in the manner specified in Sections 3.04(c) and (d) of the Master Indenture.

10. Leases. Except as expressly permitted under the Master Indenture, including, but not limited to, Section 3.05 of the Master Indenture, Mortgagor shall not (a) execute an assignment or pledge of any Lease relating to all or any portion of the Mortgaged Property other than in favor of Mortgagee, or (b) execute or permit to exist any Lease of any of the Mortgaged Property.

11. Further Assurances. To further assure Mortgagee's rights under this Mortgage, Mortgagor agrees promptly upon reasonable demand of Mortgagee to do any act or execute any additional documents (including, but not limited to, security agreements on any personalty included or to be included in the Mortgaged Property and a separate assignment of each Lease in recordable form) as may be reasonably required by Mortgagee to confirm the lien of this Mortgage and all other rights or benefits conferred on Mortgagee by this Mortgage.

12. Mortgagee's Right to Perform. If Mortgagor fails to perform any of the covenants or agreements of Mortgagor, within the applicable grace period, if any, provided for in the Master Indenture, Mortgagee, without waiving or releasing Mortgagor from any obligation or default under this Mortgage, may (but shall be under no obligation to), pay or perform the same, and the amount or cost thereof, with interest at an interest rate of ten percent (10%) per annum, but not to

exceed the maximum rate permitted by law, shall immediately be due from Mortgagor to Mortgagee and the same shall be secured by this Mortgage and shall be a lien on the Mortgaged Property prior to any right, title to, interest in, or claim upon the Mortgaged Property attaching subsequent to the lien of this Mortgage. No payment or advance of money by Mortgagee under this Section shall be deemed or construed to cure Mortgagor's default or waive any right or remedy of Mortgagee.

13. Defaults. The term "Event of Default" as used in this Mortgage shall mean the occurrence and continuation of any of the following events:

(a) the occurrence and continuation of any "Event of Default", as such term is defined in the Master Indenture; or

(b) the failure of Mortgagor to observe and perform any material covenant, condition or agreement on its part to be observed or performed in this Mortgage (other than an occurrence which may sooner constitute an Event of Default under the Master Indenture) unless such failure is remedied within sixty (60) days after written notice to Mortgagor, or, if curable, such longer period, not exceeding one hundred eighty (180) days, as is reasonably necessary under the circumstances to remedy such failure.

14. Remedies.

(a) If an Event of Default shall have occurred, then all of the unpaid Obligations shall, at the option of Mortgagee, become due and payable without notice or demand, time being of the essence; and any omission on the part of Mortgagee to exercise such option when entitled to do so shall not be considered as a waiver of such right. Mortgagor hereby expressly waives presentment, demand for payment, notice of protest, notice of dishonor, notice of intent to accelerate the maturity of the Obligations and notice of acceleration of the maturity of the Obligations. Notwithstanding anything contained to the contrary herein, the Obligations shall be accelerated and immediately due and payable, without any election by Mortgagee, upon the occurrence of an Event of Default described in Section 6.01(d) or Section 6.01(e) of the Master Indenture.

(b) If an Event of Default shall have occurred and be continuing, this Mortgage may, to the maximum extent permitted by law, be enforced, and Mortgagee may exercise any right, power or remedy permitted to it hereunder, under the Master Indenture or under any Related Supplement or at law or in equity, and, without limiting the generality of the foregoing, Mortgagee may, personally or by its agents, to the maximum extent permitted by law:

(i) enter into and take possession of the Mortgaged Property or any part thereof, exclude Mortgagor and all Persons claiming under Mortgagor whose claims are junior to this Mortgage, wholly or partly therefrom, and use, operate, manage and control the Mortgaged Property or any part thereof either in the name of Mortgagor or otherwise as Mortgagee shall deem best, and upon such entry, from time to time at the expense of Mortgagor and the Mortgaged Property, make all such repairs, replacements, alterations, additions or improvements to the Mortgaged Property or any part thereof as Mortgagee may reasonably deem proper

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and, whether or not Mortgagee has so entered and taken possession of the Mortgaged Property or any part thereof, collect and receive all Rents and apply the same to the payment of all expenses that Mortgagee may be authorized to make under this Mortgage, the Master Indenture or under any Related Supplement, the remainder to be applied to the payment of the Obligations in such order and priority as Mortgagee may elect in its sole discretion until the same shall have been repaid in full, take possession of all security deposits held with respect to the Mortgaged Property, whether or not Mortgagee enters upon or takes control of the Mortgaged Property and regardless of where any such security deposits are deposited or located; if Mortgagee demands or attempts to take possession of the Mortgaged Property or any part thereof in the exercise of any rights hereunder, Mortgagor shall promptly turn over and deliver complete possession thereof to Mortgagee;

(ii) intentionally omitted;

(iii) proceed to protect and enforce Mortgagee's rights under this Mortgage, by suit for specific performance of any covenant contained herein or in the Master Indenture or any Related Supplement or in aid of the execution of any power granted herein or in the Master Indenture or any Related Supplement, or for the foreclosure of this Mortgage (as a mortgage or otherwise) and the sale of the Mortgaged Property or any part thereof under the judgment or decree of a court of competent jurisdiction, or for the enforcement of any other right as Mortgagee shall elect, provided, that in the event of a sale, by foreclosure or otherwise, of less than all of the Mortgaged Property, this Mortgage shall continue as a lien on, and security interest in, the remaining portion of the Mortgaged Property; and

(iv) exercise any or all of the remedies available to a secured party under the Code.

(c) If an Event of Default shall have occurred, Mortgagee, to the maximum extent permitted by law, shall be entitled, as a matter of right, to the appointment of a receiver of the Mortgaged Property, without notice or demand, and without regard to the adequacy of the security for the Obligations or the solvency of Mortgagor. Mortgagor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all the powers and duties of Mortgagee in case of entry and shall continue as such and exercise all such powers until the date of confirmation of sale of the Mortgaged Property, unless such receivership is sooner terminated.

(d) In any sale under any provision of this Mortgage or pursuant to any judgment or decree of court, the Mortgaged Property, to the maximum extent permitted by law, may be sold in one or more parcels or as an entirety and in such order as Mortgagee may elect, without regard to the right of Mortgagor or any Person claiming under Mortgagor to the marshalling of assets. The purchaser at any such sale shall take title to the Mortgaged Property or the part thereof so sold free and discharged of the estate of Mortgagor therein, the purchaser being hereby discharged from all liability to see to the application of the purchase money. Upon the completion of any such sale by virtue of this Section 14(d), Mortgagee shall execute and deliver

to the purchaser an appropriate instrument that shall effectively transfer all of Mortgagor's estate, right, title, interest, property, claim and demand in and to the Mortgaged Property or portion thereof so sold, but without any covenant or warranty, express or implied. Mortgagor shall ratify and confirm, or cause to be ratified and confirmed, any such sale or sales by executing and delivering, or by causing to be executed and delivered to Mortgagee or to such purchaser or purchasers all such instruments as may be advisable, in the reasonable judgment of Mortgagee, for such purpose, and as may be designated in such request. Any sale or sales made under or by virtue of this Mortgage, to the extent not prohibited by law, shall operate to divest all the estate, right, title, interest, property, claim and demand whatsoever, whether at law or in equity, of Mortgagor in, to and under the Mortgaged Property, or any portions thereof so sold, and shall be a perpetual bar both at law and in equity against Mortgagor and against any and all Persons claiming or who may claim the same, or any part thereof, by, through or under Mortgagor. The powers and agency herein granted are coupled with an interest and are irrevocable.

(e) All proceeds of any repayment of or recoveries on the Obligations shall be applied to pay the Obligations in such order and in such manner as Mortgagee shall elect in Mortgagee's sole discretion.

(f) No sale or other disposition of all or any part of the Mortgaged Property pursuant to this Section 14 shall be deemed to relieve Mortgagor of its obligations under this Mortgage, the Master Indenture or any Related Supplement except to the extent the proceeds thereof are applied to the payment of such obligations. If the proceeds of sale, collection or other realization of or upon the Mortgaged Property are insufficient to cover the costs and expenses of such realization and the payment in full of the Obligations, Mortgagor shall remain liable for any deficiency.

(g) Intentionally omitted.

(h) Mortgagee shall have the right from time to time to sue for any sums required to be paid by Mortgagor under the terms of this Mortgage as the same become due, without regard to whether or not the entire Obligations shall be, or have become, due and without prejudice to the right of Mortgagee thereafter to bring any action or proceeding of foreclosure or any other action upon the occurrence of any Event of Default existing at the time such earlier action was commenced.

(i) Mortgagee may at any time or from time to time renew or extend this Mortgage or (with the agreement of Mortgagor) alter or modify the same in any way, or waive any of the terms, covenants or conditions hereof or thereof, in whole or in part, and may release or reconvey any portion of the Mortgaged Property or any other security, and grant such extensions and indulgences in relation to the Obligations, or release any Person liable therefor, as Mortgagee may determine without the consent of any junior lienor or encumbrancer, without any obligation to give notice of any kind thereto, without in any manner affecting the priority of the lien and estate of this Mortgage on or in any part of the Mortgaged Property, and without affecting the liability of any other Person liable for any of the Obligations.

(j) No right or remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other right or remedy, and each and every right and remedy shall

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be cumulative and in addition to any other right or remedy under this Mortgage, or under applicable law, whether now or hereafter existing; the failure of Mortgagee to insist at any time upon the strict observance or performance of any of the provisions of this Mortgage or to exercise any right or remedy provided for herein or under applicable law, shall not impair any such right or remedy nor be construed as a waiver or relinquishment thereof.

(k) To the maximum extent permitted by law, Mortgagee shall be entitled to enforce payment and performance of any of the obligations of Mortgagor and to exercise all rights and powers under this Mortgage, the Master Indenture or any Related Supplement or any laws now or hereafter in force, notwithstanding that some or all of the Obligations may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise; neither the acceptance of this Mortgage nor its enforcement, whether by court action or other powers herein contained, shall prejudice or in any manner affect Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being stipulated that Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by Mortgagee in such order and manner as Mortgagee, in its sole discretion, may determine; every power or remedy given by this Mortgage, the Master Indenture or any Related Supplement to Mortgagee, or to which Mortgagee is otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Mortgagee, and Mortgagee may pursue inconsistent remedies.

(l) To the maximum extent permitted by law, Mortgagor shall not at any time insist upon, or plead, or in any manner whatsoever claim or take any benefit or advantage of any applicable present or future stay, extension or moratorium law, that may affect observance or performance of the provisions of this Mortgage; nor claim, take or insist upon any benefit or advantage of any present or future law providing for the valuation or appraisal of the Mortgaged Property or any portion thereof prior to any sale or sales thereof that may be made under or by virtue of Section 14; and Mortgagor, to the maximum extent permitted by law, hereby waives all benefit or advantage of any such law or laws. Mortgagor, for itself and all who may claim under it, hereby waives, to the maximum extent permitted by law, any and all rights and equities of redemption under any foreclosure of this Mortgage and (if an Event of Default shall have occurred) all notice or notices of seizure, and all right to have the Mortgaged Property marshalled upon any foreclosure hereof. Mortgagee shall not be obligated to pursue or exhaust its rights or remedies as against any other part of the Mortgaged Property, and Mortgagor hereby waives any right or claim of right to have Mortgagee proceed in any particular order.

(m) Except as otherwise expressly set forth in this Mortgage, the Master Indenture or any Related Supplement, Mortgagee will not be deemed in any manner to have assumed any liabilities or obligations relating to the Mortgaged Property or any portion thereof. Mortgagor agrees that the exercise by Mortgagee of one or more of its rights and remedies under this Mortgage shall in no way be deemed or construed to make Mortgagee a mortgagee-in-possession.

(n) If Mortgagee shall have proceeded to enforce any right, power or remedy under this Mortgage by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to Mortgagee, then in every such case, Mortgagor and Mortgagee shall be restored to their former positions and

rights hereunder, and all such rights, powers and remedies of Mortgagee shall continue as if no such proceedings had occurred.

15. Right of Mortgagee to Credit Sale. Upon the occurrence of any sale made under this Mortgage, by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, Mortgagee may bid for and acquire the Mortgaged Property or any part thereof. In lieu of paying cash therefor, Mortgagee may make settlement for the purchase price by crediting upon the Secured Obligations or other sums secured by this Mortgage, the net sales price after deducting therefrom the expenses of sale and the cost of the action and any other sums which Mortgagee is authorized to deduct under this Mortgage, the Master Indenture, any Related Supplement and any Obligation. In such event, this Mortgage, the Master Indenture and documents evidencing expenditures secured hereby may be presented to the person or persons conducting the sale in order that the amount so used or applied may be credited upon the Secured Obligations as having been paid.

16. Extension, Release, etc.

(a) Without affecting the lien or charge of this Mortgage upon any portion of the Mortgaged Property not then or theretofore released as security for the full amount of the Secured Obligations, Mortgagee may, in accordance with the provisions of the Master Indenture, from time to time and without notice, agree to (i) release any person liable for the indebtedness borrowed or guaranteed under the Master Indenture, any Related Supplement and any Obligation, (ii) extend the maturity or alter any of the terms of the indebtedness borrowed or guaranteed under the Master Indenture, any Related Supplement and any Obligation, (iii) grant other indulgences, (iv) release or reconvey, or cause to be released or reconveyed at any time at Mortgagee's option any parcel, portion or all of the Mortgaged Property, (v) take or release any other or additional security for any obligation herein mentioned, or (vi) make compositions or other arrangements with debtors in relation thereto.

(b) No recovery of any judgment by Mortgagee and no levy of an execution under any judgment upon the Mortgaged Property or upon any other property of Mortgagor shall affect the lien of this Mortgage or any liens, rights, powers or remedies of Mortgagee hereunder, and such liens, rights, powers and remedies shall continue unimpaired.

(c) If Mortgagee shall have the right to foreclose this Mortgage, Mortgagor authorizes Mortgagee at its option to foreclose the lien of this Mortgage (or to sell the Mortgaged Property, as the case may be) subject to the rights of any tenants of the Mortgaged Property. The failure to make any such tenants parties defendant to any such foreclosure proceeding and to foreclose their rights, or to provide notice to such tenants as required in any statutory procedure governing a sale of the Mortgaged Property by Mortgagee, or to terminate such tenant's rights in such sale, will not be asserted by Mortgagor as a defense to any proceeding instituted by Mortgagee to collect the Secured Obligations or to foreclose the lien of this Mortgage.

(d) Unless expressly provided otherwise, in the event that ownership of this Mortgage and title to the Mortgaged Property or any estate therein shall become vested in the same person or entity, this Mortgage shall not merge in such title but shall continue as a valid lien on the Mortgaged Property for the amount secured hereby.

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17. Security Agreement under Uniform Commercial Code.

(a) It is the intention of the parties hereto that this Mortgage shall constitute a "security agreement" within the meaning of the Uniform Commercial Code (the "Code") of the State in which the Mortgaged Property is located. Accordingly, Mortgagor hereby grants to Mortgagee a security interest in the Mortgaged Property. If an Event of Default shall occur and be continuing under this Mortgage, then in addition to having any other right or remedy available at law or in equity, Mortgagee shall have the option of either (i) proceeding under the Code and exercising such rights and remedies as may be provided to a secured party by the Code with respect to all or any portion of the Mortgaged Property which is personal property (including, without limitation, taking possession of and selling such property) or (ii) treating such property as real property and proceeding with respect to both the real and personal property constituting the Mortgaged Property in accordance with Mortgagee's rights, powers and remedies with respect to the real property (in which event the default provisions of the Code shall not apply). If Mortgagee shall elect to proceed under the Code, then ten (10) Business Days' notice of sale of the personal property shall be deemed reasonable notice and the reasonable expenses of retaking, holding, preparing for sale, selling and the like incurred by Mortgagee shall include, but not be limited to, reasonable attorneys' fees and legal expenses. At Mortgagee's request, and upon reasonable prior written notice delivered to Mortgagor by Mortgagee, Mortgagor shall assemble the personal property and make it available to Mortgagee at a place designated by Mortgagee which is reasonably convenient to both parties.

(b) Certain portions of the Mortgaged Property are or will become "fixtures" (as that term is defined under the Code) on the Land, and this Mortgage, upon being filed for record in the real estate records of the county wherein such fixtures are situated, shall operate also as a financing statement filed and indexed as a fixture filing in accordance with the applicable provisions of said Code upon such portions of the Mortgaged Property which are fixtures and any personal property that may now be or hereafter become fixtures. The addresses of Mortgagor, as debtor, and Mortgagee, as secured party, are set forth in the first page of this Mortgage.

(c) The real property to which the fixtures relate is described in Schedule A attached hereto. The record owner of the real property described in Schedule A hereto is Mortgagor. The name, type of organization and jurisdiction of organization of the debtor for purposes of this financing statement are the name, type of organization and jurisdiction of organization of Mortgagor set forth in the first paragraph of this Mortgage, and the name of the secured party for purposes of this financing statement is the name of Mortgagee set forth in the first paragraph of this Mortgage. The mailing address of Mortgagor/debtor is the address of Mortgagor set forth in the first paragraph of this Mortgage. The mailing address of Mortgagee/secured party from which information concerning the security interest hereunder may be obtained is the address of Mortgagee set forth in the first paragraph of this Mortgage.

18. Intentionally Omitted

19. Additional Rights. The holder of any subordinate lien or subordinate mortgage on the Mortgaged Property shall have no right to terminate any Lease whether or not such Lease is subordinate to this Mortgage nor shall Mortgagor consent to any holder of any subordinate lien or subordinate mortgage joining any tenant under any Lease in any action to foreclose the lien or

modify, interfere with, disturb or terminate the rights of any tenant under any Lease. By recordation of this Mortgage all subordinate lienholders and the mortgagees and beneficiaries under subordinate mortgages are subject to and notified of this provision, and any action taken by any such lienholder or beneficiary contrary to this provision shall be null and void. Any such application shall not be construed to cure or waive any default or Event of Default or invalidate any act taken by Mortgagee on account of such default or Event of Default.

20. Notices. All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given as provided in the notice provisions of the Master Indenture.

21. No Oral Modification. Neither this Mortgage nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by Mortgagee and Mortgagor, subject to any consent required in accordance with the Master Indenture.

22. Partial Invalidity. In the event any one or more of the provisions contained in this Mortgage shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, but each shall be construed as if such invalid, illegal or unenforceable provision had never been included. Notwithstanding anything contained in this Mortgage or in any provisions of the Master Indenture, any Related Supplement and any Obligation, the obligations of Mortgagor and of any other obligor under the Master Indenture, any Related Supplement and any Obligation shall be subject to the limitation that Mortgagee shall not charge, take or receive, nor shall Mortgagor or any other obligor be obligated to pay to Mortgagee, any amounts constituting interest in excess of the maximum rate permitted by law to be charged by Mortgagee.

23. Mortgagor's Waiver of Additional Rights. To the fullest extent permitted by law, Mortgagor waives the benefit of all laws now existing or that may subsequently be enacted providing for (i) any appraisement before sale of any portion of the Mortgaged Property, (ii) any extension of the time for the enforcement of the collection of the Secured Obligations or the creation or extension of a period of redemption from any sale made in collecting such debt and (iii) exemption of the Mortgaged Property from attachment, levy or sale under execution or exemption from civil process. To the full extent Mortgagor may do so, Mortgagor agrees that Mortgagor will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisement, valuation, stay, exemption, extension or redemption, or requiring foreclosure of this Mortgage before exercising any other remedy granted hereunder and Mortgagor, for Mortgagor and its successors and assigns, and for any and all persons ever claiming any interest in the Mortgaged Property, to the extent permitted by law, hereby waives and releases all rights of redemption, valuation, appraisement, stay of execution, notice of election to mature (except as expressly provided in the Master Indenture, any Related Supplement and any Obligation) or declare due the whole of the secured indebtedness and marshalling in the event of exercise by Mortgagee of the foreclosure rights, or other rights hereby created.

24. Remedies Not Exclusive. Mortgagee shall be entitled to enforce payment and performance of the Secured Obligations and to exercise all rights and powers under this Mortgage

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or under the Master Indenture, any Related Supplement and any Obligation or other agreement or any laws now or hereafter in force, notwithstanding some or all of the Secured Obligations may now or hereafter be otherwise secured, whether by mortgage, security agreement, pledge, lien, assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement shall prejudice or in any manner affect Mortgagee's rights to realize upon or enforce any other security now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by Mortgagee in such order and manner as Mortgagee may determine in its absolute discretion. No remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by the Master Indenture, any Related Supplement and any Obligation to Mortgagee or to which either may otherwise be entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Mortgagee, as the case may be. In no event shall Mortgagee, in the exercise of the remedies provided in this Mortgage (including, without limitation, in connection with the assignment of Rents to Mortgagee, or the appointment of a receiver and the entry of such receiver on to all or any part of the Mortgaged Property), be deemed a "Mortgagee in possession," and Mortgagee shall not in any way be made liable for any act, either of commission or omission, in connection with the exercise of such remedies.

25. Multiple Security. If (a) the Premises shall consist of one or more parcels, whether or not contiguous and whether or not located in the same county, or (b) in addition to this Mortgage, Mortgagee shall now or hereafter hold or be the beneficiary of one or more additional mortgages, liens, deeds of trust or other security (directly or indirectly) for the Secured Obligations upon other property in the State in which the Premises are located (whether or not such property is owned by Mortgagor or by others) or (c) both the circumstances described in clauses (a) and (b) shall be true, then to the fullest extent permitted by law, Mortgagee may, at its election, commence or consolidate in a single foreclosure action all foreclosure proceedings instituted in accordance with the terms and conditions of this Mortgage against all such collateral securing the Secured Obligations (including the Mortgaged Property), which action may be brought or consolidated in the courts of, or sale conducted in, any county in which any of such collateral is located. Mortgagor acknowledges that the right to maintain a consolidated foreclosure action is a specific inducement to the Holders of the Obligations to extend indebtedness, and Mortgagor expressly and irrevocably waives any objections to the commencement or consolidation of the foreclosure proceedings in a single action and any objections to the laying of venue or based on the grounds of forum non conveniens which it may now or hereafter have. Mortgagor further agrees that if Mortgagee shall be prosecuting one or more foreclosure or other proceedings against a portion of the Mortgaged Property or against any collateral other than the Mortgaged Property, which collateral directly or indirectly secures the Secured Obligations, or if Mortgagee shall have obtained a judgment of foreclosure and sale or similar judgment against such collateral, then, whether or not such proceedings are being maintained or judgments were obtained in or outside the State in which the Premises are located, Mortgagee may commence or continue any foreclosure proceedings and exercise its other remedies granted in this Mortgage against all or any part of the Mortgaged Property and Mortgagor waives any objections to the commencement or continuation of a foreclosure of this Mortgage or exercise of any other remedies hereunder based on such other proceedings or judgments, and waives any right to seek to dismiss, stay, remove, transfer or consolidate either any action under this Mortgage or such other proceedings on such basis. Neither

the commencement nor continuation of proceedings to foreclose this Mortgage, nor the exercise of any other rights hereunder nor the recovery of any judgment by Mortgagee in any such proceedings or the occurrence of any sale in any such proceedings shall prejudice, limit or preclude Mortgagee's right to commence or continue one or more foreclosure or other proceedings or obtain a judgment against any other collateral (either in or outside the State in which the Premises are located) which directly or indirectly secures the Secured Obligations, and Mortgagor expressly waives any objections to the commencement of, continuation of, or entry of a judgment in such other sales or proceedings or exercise of any remedies in such sales or proceedings based upon any action or judgment connected to this Mortgage, and Mortgagor also waives any right to seek to dismiss, stay, remove, transfer or consolidate either such other sales or proceedings or any sale or action under this Mortgage on such basis. It is expressly understood and agreed that to the fullest extent permitted by law, Mortgagee may, at its election, cause the sale of all collateral which is the subject of a single foreclosure action at either a single sale or at multiple sales conducted simultaneously and take such other measures as are appropriate in order to effect the agreement of the parties to dispose of and administer all collateral securing the Secured Obligations (directly or indirectly) in the most economical and least time-consuming manner.

26. Successors and Assigns. All covenants of Mortgagor contained in this Mortgage are imposed solely and exclusively for the benefit of Mortgagee, and its successors and assigns, and no other person or entity shall have standing to require compliance with such covenants or be deemed, under any circumstances, to be a beneficiary of such covenants, any or all of which may be freely waived in whole or in part by Mortgagee at any time if, in its sole discretion, such a waiver is deemed advisable. All such covenants of Mortgagor shall run with the land and bind Mortgagor, the successors and assigns of Mortgagor and all subsequent owners, encumbrancers and tenants of the Mortgaged Property, and shall inure to the benefit of Mortgagee and its successors and assigns. If there shall be more than one Mortgagor, the obligations of Mortgagors shall be joint and several.

27. No Waivers, etc. Any failure by Mortgagee to insist upon the strict performance by Mortgagor of any of the terms and provisions of this Mortgage shall not be deemed to be a waiver of any of the terms and provisions hereof, and Mortgagee, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Mortgagor of any and all of the terms and provisions of this Mortgage to be performed by Mortgagor. Mortgagee may release, regardless of consideration and without the necessity for any notice to or consent by the holder of any subordinate lien on the Mortgaged Property, any part of the security held for the Secured Obligations without, as to the remainder of the security, in any way impairing or affecting the lien of this Mortgage or the priority of such lien over any subordinate lien or mortgage.

28. Governing Law, etc. This Mortgage shall be governed by and construed and interpreted in accordance with the laws of the STATE OF FLORIDA, without giving effect to principles of conflicts of laws.

29. Certain Definitions. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Mortgage shall be used interchangeably in singular or plural form and the word "Mortgagor" shall mean "each Mortgagor or any subsequent owner or owners of the Mortgaged Property or any part thereof or interest therein," the word "Mortgagee" shall mean "Mortgagee or any successor trustee under the Master Indenture,"

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the word "person" shall include any individual, corporation, partnership, limited liability company, trust, unincorporated association, government, governmental authority, or other entity, and the words "Mortgaged Property" shall include any portion of the Mortgaged Property or interest therein. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa. The captions in this Mortgage are for convenience or reference only and in no way limit or amplify the provisions hereof.

30. Enforcement of Expenses; Indemnification. To the extent required to be paid or reimbursed by Mortgagor under Section 7.05 of the Master Indenture,

(a) Mortgagor agrees to pay or reimburse Mortgagee for all its costs and expenses incurred in enforcing or preserving any rights under this Mortgage and the Master Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and its agents).

(b) Mortgagor agrees to pay, and to save Mortgagee harmless from, any and all liabilities with respect to, or resulting from any delay in paying, any and all stamp, excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Mortgaged Property or in connection with any of the transactions contemplated by this Mortgage.

(c) Mortgagor agrees to pay, and to save Mortgagee harmless from, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance and administration of this Mortgage to the extent Mortgagor would be required to do so pursuant to Section 7.05 of the Master Indenture.

(d) The agreements in this Section 30 shall survive repayment of the Secured Obligations and all other amounts payable under the Master Indenture, any Related Supplement and any Obligation.

31. Last Dollars Secured; Priority

This Mortgage secures only a portion of the indebtedness owing or which may become owing by Mortgagor to the Holders of the Obligations. The parties agree that any payments or repayments of such indebtedness shall be and be deemed to be applied first to the portion of the indebtedness that is not secured hereby, it being the parties' intent that the portion of the indebtedness last remaining unpaid shall be secured hereby. If at any time this Mortgage shall secure less than all of the principal amount of the Secured Obligations, it is expressly agreed that any repayments of the principal amount of the Secured Obligations shall not reduce the amount of the lien of this Mortgage until the lien amount shall equal the principal amount of the Secured Obligations outstanding.

32. Release; Termination. (a) At such time as the Secured Obligations shall have been paid in full and satisfied, the Mortgaged Property shall be automatically released from the liens created hereby, and this Mortgage and all obligations (other than those expressly stated to survive such termination) of Mortgagee and Mortgagor hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Mortgaged Property

shall revert to Mortgagor. At the request and sole expense of Mortgagor following any such termination, Mortgagee shall execute and deliver to Mortgagor or such documents as Mortgagor shall reasonably request to evidence such termination.

(b) If any of the Mortgaged Property shall be sold, transferred or otherwise disposed of by Mortgagor in a transaction permitted by the Master Indenture, then Mortgagee, at the request and sole expense of Mortgagor, shall execute and deliver to Mortgagor all releases or other documents reasonably necessary or desirable for the release of the liens created hereby on such Mortgaged Property.

33. Counterparts. This Mortgage may be executed in any number of counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same document.

34. State Specific Provisions; Incorporation by Reference.

(a) In the event of any inconsistencies between the terms and conditions of this Article 34 and the other terms and conditions of this Security Instrument, the terms and conditions of this Article 34 shall control and be binding.

(b) Where any provisions of this Mortgage is inconsistent with any provision of Florida law regulating the creation, perfection or enforcement of a lien or security interest in real or personal property, the provisions of Florida law shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provisions of this Mortgage that can be construed in a manner consistent with Florida law.

(c) The assignment of leases and rents contained in this Mortgage, from Mortgagor to Mortgagee, is intended to and does constitute an assignment of leases and rents as contemplated in Florida Statutes Section 697.07. Upon the occurrence and during the continuance of an Event of Default, Lender shall be entitled to all of the rights and remedies provided in said Section 697.07, in addition to all rights and remedies, whether procedural or substantive, in effect at the time of execution or enforcement of this Mortgage.

(d) This Mortgage is given to secure not only the existing Obligations, but also such future advances, whether such advances are obligatory or are to be made at the option of Mortgagee or the holder hereof, or otherwise as are made within twenty (20) years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage. The total amount of Obligations that may be so secured by this Mortgage may be increased or decreased from time to time, but the total unpaid balance so secured at any one time shall not exceed twice the face amount of the Master Indenture, plus interest thereon, and any disbursements made under this Mortgage for the payment of impositions, taxes, assessments, levies, insurance, or otherwise with interest on such disbursements at the rate set forth in the Master Indenture, plus any increases in the principal balance as the result of negative amortization or deferred interest, if any. It is agreed that any additional sum or sums advanced by Mortgagee pursuant to the terms hereof shall be equally secured with and have the same priority as the original Indebtedness and shall be subject to all of the terms, provisions and conditions of this Mortgage, whether or not such additional loans or advances are evidenced by other promissory notes or other

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guaranties of Mortgagor and whether or not identified by a recital that it or they are secured by this Mortgage. It is further agreed that any additional promissory note or guaranty or promissory notes or guaranties executed and delivered pursuant to this paragraph shall automatically be deemed to be included in the term "Master Indenture" wherever it appears in the context of this Mortgage. Without the prior written consent of Mortgagee, which Mortgagee may grant or withhold in its sole discretion, Borrower shall not file for record any notice limiting the maximum principal amount that may be secured by this Security Instrument to a sum less than the maximum principal amount set forth in this paragraph.

[Intentionally Left Blank]

This Mortgage has been duly executed by Mortgagor as of the date first set forth above and is intended to be effective as of such date.

ALP VENICE, LLC,
a Delaware limited liability company

By: Alpha Lifestyle Partners Florida, Inc.,
its sole member

By: _____
Name: Cassidy Dines
Title: President

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ACKNOWLEDGEMENTS

STATE OF COLORADO)
)
COUNTY OF DENVER)

Before me, _____, a Notary Public of said County and State, personally appeared Cassidy Dines, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged herself to be President of Alpha Lifestyle Partners Florida, Inc., the sole member of ALP Venice, LLC, the within named mortgagor, a Delaware limited liability company, and that she as such President, executed the foregoing instrument for the purposes therein contained, by signing the name of the company by herself as President of Alpha Lifestyle Partners Florida, Inc., the sole member of ALP Venice, LLC, a Delaware limited liability company.

Witness my hand and seal, at Office, this _____ day of _____, 2025.

_____
Notary Public

My Commission Expires: _____

Schedule A

Description of the Land

PARCEL 1: (Fee Estate)

Parcel 8/9: A portion of those lands described in Official Records Instrument #2004002681, of the Public Records of Sarasota County, Florida; lying and being in Section 10, Township 39 South, Range 19 East, being more particularly described as follows:

Commence at the Southeast Corner of Section 10, Township 39 South, Range 19 East, Sarasota County, Florida; thence North 89 degrees 46 minutes 10 seconds West, along the South line of said Section 10, a distance of 840.76 feet, to the Westerly Right of Way line of Jacaranda Boulevard (a 150 foot wide Public Right of Way) as recorded in Road Plat Book 3, Page 27, Public Records of Sarasota County, Florida; thence North 43 degrees 05 minutes 09 seconds East, along said Westerly Right of Way line of Jacaranda Boulevard, a distance of 722.24 feet, to a point of curvature of a Curve to the left, which the Radius point lies North 46 degrees 54 minutes 51 seconds West, said Curve having: a Radius of 1357.39 feet, a Central Angle of 42 degrees 21 minutes 10 seconds; a Chord Bearing of North 21 degrees 54 minutes 34 seconds East and a Chord Distance of 980.69 feet; thence Northerly along the Arc of said curve a distance of 1003.38 feet, to the Point of Tangency; thence North 00 degrees 44 minutes 14 seconds East, 629.73 feet, to the Southerly Right of Way line of East Venice Avenue, as per Order of Taking recorded in Official Records Book 1835, Page 1475, of the Public Records of Sarasota County, Florida; thence along said Right of Way line for the next three (3) calls: North 89 degrees 22 minutes 40 seconds West, 234.70 feet; thence North 00 degrees 37 minutes 20 seconds East, 4.00 feet; thence North 89 degrees 22 minutes 49 seconds West, 431.21 feet, for a Point of Beginning; thence leaving said Right of Way line, South 00 degrees 45 minutes 30 seconds West, 303.62 feet; thence North 89 degrees 14 minutes 30 seconds West, 413.72 feet; thence North 00 degrees 45 minutes 30 seconds East, 302.62 feet, to said Southerly Right Of Way line of East Venice Avenue; thence along said Right Of Way line, South 89 degrees 22 minutes 49 seconds East, 413.72 feet, to the Point of Beginning.

PARCEL 2: (Easement Estate)

Together with non-exclusive easements for the benefit of the above-described Parcel 1 as created by and set-forth in that certain Sunrise Village Declaration of Covenants recorded under Official Records Instrument Number 2003248966; as amended/modified by that Modification of Sunrise Village Declaration of Covenants recorded under Official Records Instrument Number 2004002680; as amended/modified by that Second Modification of Sunrise Village Declaration of Covenants recorded under Official Records Instrument Number 2007058376; as amended by that First Amendment to Second Modification of Sunrise Village Declaration of Covenants recorded under Official Records Instrument Number 2007128517; as amended/modified by that Third Modification of Sunrise Village Declaration of Covenants recorded under Official Records Instrument Number 2010070951; as amended/modified by that Fourth Modification of Sunrise Village Declaration of Covenants recorded under Official Records Instrument Number 2015119642, all of the Public Records of Sarasota County, Florida.

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Prepared by, and after recording, please return to:
Nixon Peabody LLP
1300 Clinton Square
Rochester, New York 14604
Attn: Katie Baynes

MULTIPLE INDEBTEDNESS MORTGAGE, SECURITY AGREEMENT AND PLEDGE AND ASSIGNMENT OF LEASES AND RENTS

made by

ALPHA LIFESTYLE PARTNERS, INC.,
Mortgagor

to

UMB BANK, N.A., as Master Trustee, Mortgagee

Dated as of September [____], 2025
Location: 1444 Andrew Drive, Covington, Louisiana 70433
Parish of St. Tammany
Tax Map #'s No. 107-815-5756

THIS MORTGAGE SECURES OBLIGATORY ADVANCES AND IS MADE FOR COMMERCIAL PURPOSES.

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MULTIPLE INDEBTEDNESS MORTGAGE, SECURITY AGREEMENT AND PLEDGE AND ASSIGNMENT OF LEASES AND RENTS

BY

ALPHA LIFESTYLE PARTNERS, INC.

TO

UMB BANK, N.A.

UNITED STATES OF AMERICA

STATE OF TEXAS

COUNTY/PARISH OF TARRANT

BE IT KNOWN, that on the day stated below, but effective as of the [____] day of September, 2025 (the "Effective Date"), before me, the undersigned Notary Public, duly commissioned and qualified in and for the aforesaid State and County/Parish, and in the presence of the undersigned competent witnesses, personally came and appeared:

> **ALPHA LIFESTYLE PARTNERS, INC.,** a nonstock corporation organized under the laws of the State of Delaware whose certificate of organization were duly filed with the Secretary of State on October 10, 2024 ("Mortgagor"), and authorized to transact business in the State of Louisiana, whose mailing address is 201 South Columbine Street, Unit 300, Denver, Colorado 80206, whose taxpayer identification number is XX-XXX-3541, appearing herein by and through Cassidy Dines, its President, pursuant to [Resolution of its Manager], an original or certified copy of which is annexed hereto as Exhibit "B", who declared and acknowledged as follows:

This Multiple Indebtedness Mortgage, Security Agreement and Pledge and Assignment of Leases and Rents (as may be amended, supplemented, restated, renewed, extended or otherwise modified from time to time, this "Mortgage") is entered into by Mortgagor in favor of **UMB BANK, N.A.**, as master trustee under the Master Indenture (as defined below), having an address at 7155 Lake Drive, Suite 120, West Des Moines, Iowa 50266 ("Mortgagee").

Recitals

A. Mortgagor is the owner of the fee simple estate in the parcel(s) of real property described on Exhibit "A" attached hereto (the "Land"), and owns all of the buildings, improvements, structures, and fixtures now located on the Land (the "Improvements"; the Land and the Improvements being collectively referred to as the "Real Estate").

B. Mortgagor requested financial assistance in financing the acquisition of certain senior living facilities (collectively, the "Projects"), which includes, but is not limited to, the Real Estate.

C. ALPHA LIFESTYLE PARTNERS, INC., a Delaware nonstock corporation, Mortgagor, the other members of the Obligated Group named therein and Mortgagee are parties to that certain Master Trust Indenture, dated as of September [__], 2025 (as amended, supplemented, restated, replaced, substituted or otherwise modified from time to time, the "Master Indenture"), for the purpose of providing for the issuance from time to time of obligations thereunder to provide security for the financing of the acquisition, construction, improvement, equipping and furnishing of the Projects, or for other lawful and proper corporate purposes (collectively, the "Obligations").

D. The Master Indenture requires Mortgagor to deliver a duly executed copy of this Mortgage.

NOW, THEREFORE, in consideration of the premises and for other valuable consideration, the receipt and sufficiency of which the parties hereto hereby acknowledge, Mortgagor hereby agrees with Mortgagee, for the ratable benefit of the Holders of the Obligations, as follows:

Granting Clauses

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor agrees that to secure the prompt and complete payment and performance in full when due (whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise, including the payment of amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code) of all of the Obligations issued under the Master Indenture (collectively, the "Secured Obligations");

MORTGAGOR HEREBY GRANTS TO MORTGAGEE, A LIEN UPON AND A SECURITY INTEREST IN, AND HEREBY IRREVOCABLY MORTGAGES, PLEDGES, COLLATERALLY ASSIGNS, AFFECTS AND HYPOTHECATES TO MORTGAGEE AND GRANTS A SECURITY INTEREST IN ALL OF ESTATES, RIGHTS, TITLES AND INTERESTS WHICH MORTGAGOR NOW HAS OR MAY LATER ACQUIRE IN AND TO THE FOLLOWING DESCRIBED PROPERTY, RIGHTS AND INTEREST:

(a) the Real Estate or any part thereof;

(b) all easements, rights of way, licenses, operating agreements, abutting strips and gores of land, streets, ways, alleys, passages, sewer rights, waters, water courses, water and flowage rights, development rights, air rights, mineral and soil rights, plants, standing and fallen timber, and all estates, rights, titles, interests, privileges, licenses, tenements, hereditaments and appurtenances belonging, relating or appertaining to the Real Estate, and any reversions, remainders, rents, issues, profits and revenue thereof and all land lying in the bed of any street, road or avenue, in front of or adjoining the Real Estate to the center line thereof;

(c) all of the fixtures, chattels, business machines, machinery, apparatus, equipment, furnishings, fittings, appliances and articles of personal property of every kind and nature whatsoever, and all appurtenances and additions thereto and substitutions or replacements thereof (together with, in each case, attachments, components, parts and

accessories) attached to, or contained in or used or usable in any way in connection with any operation or letting of the Real Estate, including but without limiting the generality of the foregoing, all screens, awnings, shades, blinds, curtains, draperies, artwork, carpets, rugs, storm doors and windows, furniture and furnishings, heating, electrical, and mechanical equipment, lighting, switchboards, plumbing, ventilating, air conditioning and air-cooling apparatus, refrigerating, and incinerating equipment, escalators, elevators, loading and unloading equipment and systems, stoves, ranges, laundry equipment, cleaning systems (including window cleaning apparatus), telephones, communication systems (including satellite dishes and antennae), televisions, computers, sprinkler systems and other fire prevention and extinguishing apparatus and materials, security systems, motors, engines, machinery, pipes, pumps, tanks, conduits, appliances, fittings and fixtures of every kind and description (all of the foregoing in this paragraph (c) being referred to as the "Equipment");

(d) all substitutes and replacements of, and all additions and improvements to, the Real Estate and the Equipment, subsequently acquired by or released to Mortgagor or constructed, assembled or placed by Mortgagor on the Real Estate, immediately upon such acquisition, release, construction, assembling or placement, including, without limitation, any and all building materials whether stored at the Real Estate or offsite, and, in each such case, without any further deed, conveyance, assignment or other act by Mortgagor;

(e) all leases, subleases, underlettings, concession agreements, management agreements, licenses and other agreements relating to the use or occupancy of the Real Estate or the Equipment or any part thereof, now existing or subsequently entered into by Mortgagor and whether written or oral and all guarantees of any of the foregoing (collectively, as any of the foregoing may be amended, restated, extended, renewed or modified from time to time, the "Leases"), and all rights of Mortgagor in respect of cash and securities deposited thereunder and the right to receive and collect the revenues, income, rents, issues and profits thereof, together with all other rents, royalties, issues, profits, revenue, income and other benefits arising from the use and enjoyment of the Mortgaged Property (as defined below) (collectively, the "Rents");

(f) all unearned premiums under insurance policies relating to the Real Estate or Equipment and all proceeds of any such insurance policies (including title insurance policies) including the right to collect and receive such proceeds, subject to the provisions relating to insurance generally set forth below; and all awards and other compensation, including the interest payable thereon and the right to collect and receive the same, made to the present or any subsequent owner of the Real Estate or Equipment for the taking by eminent domain, condemnation or otherwise, of all or any part of the Real Estate or any easement or other right therein;

(g) to the extent not prohibited under the applicable contract, consent, license or other item unless the appropriate consent has been obtained, (i) all contracts from time to time executed by Mortgagor or any manager or agent on its behalf relating to the ownership, construction, maintenance, repair, operation, occupancy, sale or financing of the Real Estate or Equipment or any part thereof and all agreements and options relating to the purchase or lease of any portion of the Real Estate or any property which is adjacent or

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peripheral to the Real Estate, together with the right to exercise such options and all leases of Equipment, (ii) all consents, licenses, building permits, certificates of occupancy and other governmental approvals relating to construction, completion, occupancy, use or operation of the Real Estate or any part thereof, and (iii) all drawings, plans, specifications and similar or related items relating to the Real Estate; and

(h) all proceeds, both cash and noncash, of the foregoing;

All of the foregoing property and rights, title or interests now owned or held or subsequently acquired by Mortgagor and described in the foregoing clauses (a) through (c) are collectively referred to as the "Premises", and those described in the foregoing clauses (a) through (h) are collectively referred to as the "Mortgaged Property."

TO HAVE AND TO HOLD the Mortgaged Property and the rights and privileges hereby mortgaged unto Mortgagee, its successors and assigns, with the power of sale, for the uses and purposes set forth, until the Secured Obligations are fully paid and performed.

This Mortgage covers present and future advances and re-advances, in the aggregate amount of the Secured Obligations, and the lien of such future advances and re-advances shall relate back to the date of this Mortgage.

Terms and Conditions

Mortgagor further represents, warrants, covenants and agrees with Mortgagee and the Holders of the Obligations as follows:

1. Defined Terms. Capitalized terms used herein (including in the "Background" and "Granting Clauses" sections above) and not otherwise defined herein shall have the meanings ascribed thereto in the Master Indenture.

2. Warranty of Title. Mortgagor warrants that it has record title in fee simple to the Real Estate, and good title to the rest of the Mortgaged Property, subject only to the matters that are set forth in Schedule B of the title insurance policy being issued to Mortgagee to insure the lien of this Mortgage and any other lien or encumbrance as permitted by the Master Indenture (the "Permitted Exceptions"). Mortgagor shall warrant, defend and preserve such title and the lien of this Mortgage against all claims of all persons and entities (not including the holders of the Permitted Exceptions). Mortgagor represents and warrants that it has the right to mortgage the Mortgaged Property.

3. Payment of Secured Obligations. Mortgagor shall pay and perform the Secured Obligations at the times and places and in the manner specified in the Master Indenture and each Related Supplement.

4. Requirements. Mortgagor shall comply with all covenants, restrictions and conditions now or later of record which may be applicable to any of the Mortgaged Property, or to the use, manner of use, occupancy, possession, operation, maintenance, alteration, repair or reconstruction of any of the Mortgaged Property, provided, however Mortgagor shall not be

required to comply with any law, ordinance, approval or regulation as long as it shall in good faith contest the validity thereof.

5. Payment of Taxes and Other Impositions.

(a) Prior to the date on which any fine, penalty, interest or cost may be added thereto or imposed, Mortgagor shall pay and discharge all taxes, charges and assessments of every kind and nature, all charges for any easement or agreement maintained for the benefit of any of the Real Estate, all general and special assessments, levies, permits, inspection and license fees, all water and sewer rents and charges, vault taxes and all other public charges even if unforeseen or extraordinary, imposed upon or assessed against or which may become a lien on any of the Real Estate, or arising in respect of the occupancy, use or possession thereof, together with any penalties or interest on any of the foregoing (all of the foregoing are collectively referred to herein as the "Impositions"), provided, however, that Mortgagor shall not be required to pay any tax, assessment, rate or charge as herein provided as long as it (i) shall in good faith contest the validity thereof or shall have applied for property tax exemption, which Mortgagor reasonably expects to receive and such exemption, if granted, would be effective with respect to such tax, assessment, rate or charge, or (ii) shall have entered into an agreement with the applicable taxing authority for the payment of such taxes in installments (to the extent applicable) and remains in compliance with such agreement. If by law any Imposition, at Mortgagor's option, may be paid in installments (whether or not interest shall accrue on the unpaid balance of such Imposition), Mortgagor may elect to pay such Imposition in such installments and shall be responsible for the payment of such installments with interest, if any.

(b) Mortgagee may pay any Imposition after the date such Imposition shall have become delinquent, and add to the Secured Obligations the amount so paid, together with interest from the time of payment at an interest rate of ten percent (10%) per annum, but not to exceed the maximum rate permitted by law. Any sums paid by Mortgagee in discharge of any Impositions shall be (i) a lien on the Premises secured hereby prior to any right or title to, interest in, or claim upon the Premises subordinate to the lien of this Mortgage, and (ii) payable on demand by Mortgagor to Mortgagee together with interest at an interest rate of ten percent (10%) per annum, but not to exceed the maximum rate permitted by law, as set forth above.

6. Insurance. Mortgagor shall maintain, with financially sound and reputable companies, insurance as set forth in Section 3.04 of the Master Indenture.

7. Restrictions on Liens and Encumbrances. Except for the lien of this Mortgage and the Permitted Exceptions and except as may be expressly permitted by the Master Indenture, Mortgagor shall not further mortgage, nor otherwise encumber the Mortgaged Property nor create or suffer to exist any lien, charge or encumbrance on the Mortgaged Property, or any part thereof, whether superior or subordinate to the lien of this Mortgage and whether recourse or non-recourse.

8. Due on Sale and Other Transfer Restrictions. Except as expressly permitted under the Master Indenture, Mortgagor shall not sell, transfer, convey or assign all or any portion of, or any interest in, the Mortgaged Property.

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9. Condemnation/Eminent Domain. Promptly upon obtaining knowledge of the institution of any proceedings for the condemnation of the Mortgaged Property, or any material portion thereof, Mortgagor will notify Mortgagee of the pendency of such proceedings. All awards and proceeds relating to such condemnation shall be administered and applied in the manner specified in Sections 3.04(c) and (d) of the Master Indenture.

10. Leases. Except as expressly permitted under the Master Indenture, including, but not limited to, Section 3.05 of the Master Indenture, Mortgagor shall not (a) execute an assignment or pledge of any Lease relating to all or any portion of the Mortgaged Property other than in favor of Mortgagee, or (b) execute or permit to exist any Lease of any of the Mortgaged Property.

11. Further Assurances. To further assure Mortgagee's rights under this Mortgage, Mortgagor agrees promptly upon reasonable demand of Mortgagee to do any act or execute any additional documents (including, but not limited to, security agreements on any personalty included or to be included in the Mortgaged Property and a separate assignment of each Lease in recordable form) as may be reasonably required by Mortgagee to confirm the lien of this Mortgage and all other rights or benefits conferred on Mortgagee by this Mortgage.

12. Mortgagee's Right to Perform. If Mortgagor fails to perform any of the covenants or agreements of Mortgagor, within the applicable grace period, if any, provided for in the Master Indenture, Mortgagee, without waiving or releasing Mortgagor from any obligation or default under this Mortgage, may (but shall be under no obligation to), pay or perform the same, and the amount or cost thereof, with interest at an interest rate of ten percent (10%) per annum, but not to exceed the maximum rate permitted by law, shall immediately be due from Mortgagor to Mortgagee and the same shall be secured by this Mortgage and shall be a lien on the Mortgaged Property prior to any right, title to, interest in, or claim upon the Mortgaged Property attaching subsequent to the lien of this Mortgage. No payment or advance of money by Mortgagee under this Section shall be deemed or construed to cure Mortgagor's default or waive any right or remedy of Mortgagee.

13. Defaults. The term "Event of Default" as used in this Mortgage shall mean the occurrence and continuation of any of the following events:

(a) the occurrence and continuation of any "Event of Default", as such term is defined in the Master Indenture; or

(b) the failure of Mortgagor to observe and perform any material covenant, condition or agreement on its part to be observed or performed in this Mortgage (other than an occurrence which may sooner constitute an Event of Default under the Master Indenture) unless such failure is remedied within sixty (60) days after written notice to Mortgagor, or, if curable, such longer period, not exceeding one hundred eighty (180) days, as is reasonably necessary under the circumstances to remedy such failure.

14. Remedies.

(a) If an Event of Default shall have occurred, then all of the unpaid Obligations shall, at the option of Mortgagee, become due and payable without notice or demand, time being of the essence; and any omission on the part of Mortgagee to exercise such option when entitled

to do so shall not be considered as a waiver of such right. Mortgagor hereby expressly waives presentment, demand for payment, notice of protest, notice of dishonor, notice of intent to accelerate the maturity of the Obligations and notice of acceleration of the maturity of the Obligations. Notwithstanding anything contained to the contrary herein, the Obligations shall be accelerated and immediately due and payable, without any election by Mortgagee, upon the occurrence of an Event of Default described in Section 6.01(d) or Section 6.01(e) of the Master Indenture.

(b) If an Event of Default shall have occurred and be continuing, this Mortgage may, to the maximum extent permitted by law, be enforced, and Mortgagee may exercise any right, power or remedy permitted to it hereunder, under the Master Indenture or under any Related Supplement or at law or in equity, and, without limiting the generality of the foregoing, Mortgagee may, personally or by its agents, to the maximum extent permitted by law:

(i) enter into and take possession of the Mortgaged Property or any part thereof, exclude Mortgagor and all Persons claiming under Mortgagor whose claims are junior to this Mortgage, wholly or partly therefrom, and use, operate, manage and control the Mortgaged Property or any part thereof either in the name of Mortgagor or otherwise as Mortgagee shall deem best, and upon such entry, from time to time at the expense of Mortgagor and the Mortgaged Property, make all such repairs, replacements, alterations, additions or improvements to the Mortgaged Property or any part thereof as Mortgagee may reasonably deem proper and, whether or not Mortgagee has so entered and taken possession of the Mortgaged Property or any part thereof, collect and receive all Rents and apply the same to the payment of all expenses that Mortgagee may be authorized to make under this Mortgage, the Master Indenture or under any Related Supplement, the remainder to be applied to the payment of the Obligations in such order and priority as Mortgagee may elect in its sole discretion until the same shall have been repaid in full, take possession of all security deposits held with respect to the Mortgaged Property, whether or not Mortgagee enters upon or takes control of the Mortgaged Property and regardless of where any such security deposits are deposited or located; if Mortgagee demands or attempts to take possession of the Mortgaged Property or any part thereof in the exercise of any rights hereunder, Mortgagor shall promptly turn over and deliver complete possession thereof to Mortgagee;

(ii) invoke the power of sale and pursuant to the procedures prescribed by law as a result thereof, sell the Mortgaged Property or any part thereof, or cause the Mortgaged Property or any part thereof to be sold at a sale or sales held at such place or places and time or times and upon such notice and otherwise in such manner and in such order as may be required by law, or, in the absence of any such requirements, as Mortgagee may deem appropriate and from time to time adjourn any such sale by announcement at the time and place specified for such sale or for such adjourned sale without further notice, except such as may be required by law;

(iii) proceed to protect and enforce Mortgagee's rights under this Mortgage, by suit for specific performance of any covenant contained herein or in the Master Indenture or any Related Supplement or in aid of the execution of any

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power granted herein or in the Master Indenture or any Related Supplement, or for the foreclosure of this Mortgage (as a mortgage or otherwise) and the sale of the Mortgaged Property or any part thereof under the judgment or decree of a court of competent jurisdiction, or for the enforcement of any other right as Mortgagee shall elect, provided, that in the event of a sale, by foreclosure or otherwise, of less than all of the Mortgaged Property, this Mortgage shall continue as a lien on, and security interest in, the remaining portion of the Mortgaged Property; and

(iv) exercise any or all of the remedies available to a secured party under the Code.

(c) If an Event of Default shall have occurred, Mortgagee, to the maximum extent permitted by law, shall be entitled, as a matter of right, to the appointment of a receiver of the Mortgaged Property, without notice or demand, and without regard to the adequacy of the security for the Obligations or the solvency of Mortgagor. Mortgagor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all the powers and duties of Mortgagee in case of entry and shall continue as such and exercise all such powers until the date of confirmation of sale of the Mortgaged Property, unless such receivership is sooner terminated.

(d) In any sale under any provision of this Mortgage or pursuant to any judgment or decree of court, the Mortgaged Property, to the maximum extent permitted by law, may be sold in one or more parcels or as an entirety and in such order as Mortgagee may elect, without regard to the right of Mortgagor or any Person claiming under Mortgagor to the marshalling of assets. The purchaser at any such sale shall take title to the Mortgaged Property or the part thereof so sold free and discharged of the estate of Mortgagor therein, the purchaser being hereby discharged from all liability to see to the application of the purchase money. Upon the completion of any such sale by virtue of this Section 14(d), Mortgagee shall execute and deliver to the purchaser an appropriate instrument that shall effectively transfer all of Mortgagor's estate, right, title, interest, property, claim and demand in and to the Mortgaged Property or portion thereof so sold, but without any covenant or warranty, express or implied. Mortgagor shall ratify and confirm, or cause to be ratified and confirmed, any such sale or sales by executing and delivering, or by causing to be executed and delivered to Mortgagee or to such purchaser or purchasers all such instruments as may be advisable, in the reasonable judgment of Mortgagee, for such purpose, and as may be designated in such request. Any sale or sales made under or by virtue of this Mortgage, to the extent not prohibited by law, shall operate to divest all the estate, right, title, interest, property, claim and demand whatsoever, whether at law or in equity, of Mortgagor in, to and under the Mortgaged Property, or any portions thereof so sold, and shall be a perpetual bar both at law and in equity against Mortgagor and against any and all Persons claiming or who may claim the same, or any part thereof, by, through or under Mortgagor. The powers and agency herein granted are coupled with an interest and are irrevocable.

(e) All proceeds of any repayment of or recoveries on the Obligations shall be applied to pay the Obligations in such order and in such manner as Mortgagee shall elect in Mortgagee's sole discretion.

(f) No sale or other disposition of all or any part of the Mortgaged Property pursuant to this Section 14 shall be deemed to relieve Mortgagor of its obligations under this Mortgage, the Master Indenture or any Related Supplement except to the extent the proceeds thereof are applied to the payment of such obligations. If the proceeds of sale, collection or other realization of or upon the Mortgaged Property are insufficient to cover the costs and expenses of such realization and the payment in full of the Obligations, Mortgagor shall remain liable for any deficiency.

(g) Upon any sale made under the powers of sale herein granted and conferred, the receipt given by Mortgagee will be sufficient discharge to the purchaser or purchasers at any sale for the purchase money, and such purchaser or purchasers and their heirs, devisees, personal representatives, successors and assigns thereof will not, after paying such purchase money and receiving such receipt of Mortgagee, be obligated to see to the application thereof or be in any way answerable for any loss, misapplication or non-application thereof.

(h) Mortgagee shall have the right from time to time to sue for any sums required to be paid by Mortgagor under the terms of this Mortgage as the same become due, without regard to whether or not the entire Obligations shall be, or have become, due and without prejudice to the right of Mortgagee thereafter to bring any action or proceeding of foreclosure or any other action upon the occurrence of any Event of Default existing at the time such earlier action was commenced.

(i) Mortgagee may at any time or from time to time renew or extend this Mortgage or (with the agreement of Mortgagor) alter or modify the same in any way, or waive any of the terms, covenants or conditions hereof or thereof, in whole or in part, and may release or reconvey any portion of the Mortgaged Property or any other security, and grant such extensions and indulgences in relation to the Obligations, or release any Person liable therefor, as Mortgagee may determine without the consent of any junior lienor or encumbrancer, without any obligation to give notice of any kind thereto, without in any manner affecting the priority of the lien and estate of this Mortgage on or in any part of the Mortgaged Property, and without affecting the liability of any other Person liable for any of the Obligations.

(j) No right or remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy under this Mortgage, or under applicable law, whether now or hereafter existing; the failure of Mortgagee to insist at any time upon the strict observance or performance of any of the provisions of this Mortgage or to exercise any right or remedy provided for herein or under applicable law, shall not impair any such right or remedy nor be construed as a waiver or relinquishment thereof.

(k) To the maximum extent permitted by law, Mortgagee shall be entitled to enforce payment and performance of any of the obligations of Mortgagor and to exercise all rights and powers under this Mortgage, the Master Indenture or any Related Supplement or any laws now or hereafter in force, notwithstanding that some or all of the Obligations may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise; neither the acceptance of this Mortgage nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect

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Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being stipulated that Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by Mortgagee in such order and manner as Mortgagee, in its sole discretion, may determine; every power or remedy given by this Mortgage, the Master Indenture or any Related Supplement to Mortgagee, or to which Mortgagee is otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Mortgagee, and Mortgagee may pursue inconsistent remedies.

(l) To the maximum extent permitted by law, Mortgagor shall not at any time insist upon, or plead, or in any manner whatsoever claim or take any benefit or advantage of any applicable present or future stay, extension or moratorium law, that may affect observance or performance of the provisions of this Mortgage; nor claim, take or insist upon any benefit or advantage of any present or future law providing for the valuation or appraisal of the Mortgaged Property or any portion thereof prior to any sale or sales thereof that may be made under or by virtue of Section 14; and Mortgagor, to the maximum extent permitted by law, hereby waives all benefit or advantage of any such law or laws. Mortgagor, for itself and all who may claim under it, hereby waives, to the maximum extent permitted by law, any and all rights and equities of redemption from sale under the power of sale created hereunder or from sale under any foreclosure of this Mortgage and (if an Event of Default shall have occurred) all notice or notices of seizure, and all right to have the Mortgaged Property marshalled upon any foreclosure hereof. Mortgagee shall not be obligated to pursue or exhaust its rights or remedies as against any other part of the Mortgaged Property, and Mortgagor hereby waives any right or claim of right to have Mortgagee proceed in any particular order.

(m) Except as otherwise expressly set forth in this Mortgage, the Master Indenture or any Related Supplement, Mortgagee will not be deemed in any manner to have assumed any liabilities or obligations relating to the Mortgaged Property or any portion thereof. Mortgagor agrees that the exercise by Mortgagee of one or more of its rights and remedies under this Mortgage shall in no way be deemed or construed to make Mortgagee a mortgagee-in-possession.

(n) If Mortgagee shall have proceeded to enforce any right, power or remedy under this Mortgage by foreclosure, power of sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to Mortgagee, then in every such case, Mortgagor and Mortgagee shall be restored to their former positions and rights hereunder, and all such rights, powers and remedies of Mortgagee shall continue as if no such proceedings had occurred.

15. Right of Mortgagee to Credit Sale. Upon the occurrence of any sale made under this Mortgage, whether made under the power of sale or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, Mortgagee may bid for and acquire the Mortgaged Property or any part thereof. In lieu of paying cash therefor, Mortgagee may make settlement for the purchase price by crediting upon the Secured Obligations or other sums secured by this Mortgage, the net sales price after deducting therefrom the expenses of sale and the cost of the action and any other sums which Mortgagee is authorized to deduct under this Mortgage, the Master Indenture, any Related Supplement and any Obligation. In such event, this Mortgage, the Master Indenture and documents evidencing expenditures secured hereby may be presented to the

person or persons conducting the sale in order that the amount so used or applied may be credited upon the Secured Obligations as having been paid.

16. Extension, Release, etc.

(a) Without affecting the lien or charge of this Mortgage upon any portion of the Mortgaged Property not then or theretofore released as security for the full amount of the Secured Obligations, Mortgagee may, in accordance with the provisions of the Master Indenture, from time to time and without notice, agree to (i) release any person liable for the indebtedness borrowed or guaranteed under the Master Indenture, any Related Supplement and any Obligation, (ii) extend the maturity or alter any of the terms of the indebtedness borrowed or guaranteed under the Master Indenture, any Related Supplement and any Obligation, (iii) grant other indulgences, (iv) release or reconvey, or cause to be released or reconveyed at any time at Mortgagee's option any parcel, portion or all of the Mortgaged Property, (v) take or release any other or additional security for any obligation herein mentioned, or (vi) make compositions or other arrangements with debtors in relation thereto.

(b) No recovery of any judgment by Mortgagee and no levy of an execution under any judgment upon the Mortgaged Property or upon any other property of Mortgagor shall affect the lien of this Mortgage or any liens, rights, powers or remedies of Mortgagee hereunder, and such liens, rights, powers and remedies shall continue unimpaired.

(c) If Mortgagee shall have the right to foreclose this Mortgage or to exercise its power of sale, Mortgagor authorizes Mortgagee at its option to foreclose the lien of this Mortgage (or to sell the Mortgaged Property, as the case may be) subject to the rights of any tenants of the Mortgaged Property. The failure to make any such tenants parties defendant to any such foreclosure proceeding and to foreclose their rights, or to provide notice to such tenants as required in any statutory procedure governing a sale of the Mortgaged Property by Mortgagee, or to terminate such tenant's rights in such sale, will not be asserted by Mortgagor as a defense to any proceeding instituted by Mortgagee to collect the Secured Obligations or to foreclose the lien of this Mortgage.

(d) Unless expressly provided otherwise, in the event that ownership of this Mortgage and title to the Mortgaged Property or any estate therein shall become vested in the same person or entity, this Mortgage shall not merge in such title but shall continue as a valid lien on the Mortgaged Property for the amount secured hereby.

17. Security Agreement under Uniform Commercial Code.

(a) It is the intention of the parties hereto that this Mortgage shall constitute a "security agreement" within the meaning of the Uniform Commercial Code (the "Code") of the State in which the Mortgaged Property is located. Accordingly, Mortgagor hereby grants to Mortgagee a security interest in the Mortgaged Property. If an Event of Default shall occur and be continuing under this Mortgage, then in addition to having any other right or remedy available at law or in equity, Mortgagee shall have the option of either (i) proceeding under the Code and exercising such rights and remedies as may be provided to a secured party by the Code with respect to all or any portion of the Mortgaged Property which is personal property (including, without

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limitation, taking possession of and selling such property) or (ii) treating such property as real property and proceeding with respect to both the real and personal property constituting the Mortgaged Property in accordance with Mortgagee's rights, powers and remedies with respect to the real property (in which event the default provisions of the Code shall not apply). If Mortgagee shall elect to proceed under the Code, then ten (10) Business Days' notice of sale of the personal property shall be deemed reasonable notice and the reasonable expenses of retaking, holding, preparing for sale, selling and the like incurred by Mortgagee shall include, but not be limited to, reasonable attorneys' fees and legal expenses. At Mortgagee's request, and upon reasonable prior written notice delivered to Mortgagor by Mortgagee, Mortgagor shall assemble the personal property and make it available to Mortgagee at a place designated by Mortgagee which is reasonably convenient to both parties.

(b) Certain portions of the Mortgaged Property are or will become "fixtures" (as that term is defined under the Code) on the Land, and this Mortgage, upon being filed for record in the real estate records of the county wherein such fixtures are situated, shall operate also as a financing statement filed and indexed as a fixture filing in accordance with the applicable provisions of said Code upon such portions of the Mortgaged Property which are fixtures and any personal property that may now be or hereafter become fixtures. The addresses of Mortgagor, as debtor, and Mortgagee, as secured party, are set forth in the first page of this Mortgage.

(c) The real property to which the fixtures relate is described in Schedule A attached hereto. The record owner of the real property described in Schedule A hereto is Mortgagor. The name, type of organization and jurisdiction of organization of the debtor for purposes of this financing statement are the name, type of organization and jurisdiction of organization of Mortgagor set forth in the first paragraph of this Mortgage, and the name of the secured party for purposes of this financing statement is the name of Mortgagee set forth in the first paragraph of this Mortgage. The mailing address of Mortgagor/debtor is the address of Mortgagor set forth in the first paragraph of this Mortgage. The mailing address of Mortgagee/secured party from which information concerning the security interest hereunder may be obtained is the address of Mortgagee set forth in the first paragraph of this Mortgage.

18. Intentionally Omitted

19. Additional Rights. The holder of any subordinate lien or subordinate mortgage on the Mortgaged Property shall have no right to terminate any Lease whether or not such Lease is subordinate to this Mortgage nor shall Mortgagor consent to any holder of any subordinate lien or subordinate mortgage joining any tenant under any Lease in any action to foreclose the lien or modify, interfere with, disturb or terminate the rights of any tenant under any Lease. By recordation of this Mortgage all subordinate lienholders and the mortgagees and beneficiaries under subordinate mortgages are subject to and notified of this provision, and any action taken by any such lienholder or beneficiary contrary to this provision shall be null and void. Any such application shall not be construed to cure or waive any default or Event of Default or invalidate any act taken by Mortgagee on account of such default or Event of Default.

20. Notices. All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given as provided in the notice provisions of the Master Indenture.

21. No Oral Modification. Neither this Mortgage nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by Mortgagee and Mortgagor, subject to any consent required in accordance with the Master Indenture.

22. Partial Invalidity. In the event any one or more of the provisions contained in this Mortgage shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, but each shall be construed as if such invalid, illegal or unenforceable provision had never been included. Notwithstanding anything contained in this Mortgage or in any provisions of the Master Indenture, any Related Supplement and any Obligation, the obligations of Mortgagor and of any other obligor under the Master Indenture, any Related Supplement and any Obligation shall be subject to the limitation that Mortgagee shall not charge, take or receive, nor shall Mortgagor or any other obligor be obligated to pay to Mortgagee, any amounts constituting interest in excess of the maximum rate permitted by law to be charged by Mortgagee.

23. Mortgagor's Waiver of Additional Rights. To the fullest extent permitted by law, Mortgagor waives the benefit of all laws now existing or that may subsequently be enacted providing for (i) any appraisement before sale of any portion of the Mortgaged Property, (ii) any extension of the time for the enforcement of the collection of the Secured Obligations or the creation or extension of a period of redemption from any sale made in collecting such debt and (iii) exemption of the Mortgaged Property from attachment, levy or sale under execution or exemption from civil process. To the full extent Mortgagor may do so, Mortgagor agrees that Mortgagor will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisement, valuation, stay, exemption, extension or redemption, or requiring foreclosure of this Mortgage before exercising any other remedy granted hereunder and Mortgagor, for Mortgagor and its successors and assigns, and for any and all persons ever claiming any interest in the Mortgaged Property, to the extent permitted by law, hereby waives and releases all rights of redemption, valuation, appraisement, stay of execution, notice of election to mature (except as expressly provided in the Master Indenture, any Related Supplement and any Obligation) or declare due the whole of the secured indebtedness and marshalling in the event of exercise by Mortgagee of the foreclosure rights, power of sale, or other rights hereby created.

24. Remedies Not Exclusive. Mortgagee shall be entitled to enforce payment and performance of the Secured Obligations and to exercise all rights and powers under this Mortgage or under the Master Indenture, any Related Supplement and any Obligation or other agreement or any laws now or hereafter in force, notwithstanding some or all of the Secured Obligations may now or hereafter be otherwise secured, whether by mortgage, security agreement, pledge, lien, assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement shall prejudice or in any manner affect Mortgagee's rights to realize upon or enforce any other security now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by Mortgagee in such order and manner as Mortgagee may determine in its absolute discretion. No remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy

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given by the Master Indenture, any Related Supplement and any Obligation to Mortgagee or to which either may otherwise be entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Mortgagee, as the case may be. In no event shall Mortgagee, in the exercise of the remedies provided in this Mortgage (including, without limitation, in connection with the assignment of Rents to Mortgagee, or the appointment of a receiver and the entry of such receiver on to all or any part of the Mortgaged Property), be deemed a "Mortgagee in possession," and Mortgagee shall not in any way be made liable for any act, either of commission or omission, in connection with the exercise of such remedies.

25. Multiple Security. If (a) the Premises shall consist of one or more parcels, whether or not contiguous and whether or not located in the same county, or (b) in addition to this Mortgage, Mortgagee shall now or hereafter hold or be the beneficiary of one or more additional mortgages, liens, deeds of trust or other security (directly or indirectly) for the Secured Obligations upon other property in the State in which the Premises are located (whether or not such property is owned by Mortgagor or by others) or (c) both the circumstances described in clauses (a) and (b) shall be true, then to the fullest extent permitted by law, Mortgagee may, at its election, commence or consolidate in a single foreclosure action all foreclosure proceedings instituted in accordance with the terms and conditions of this Mortgage against all such collateral securing the Secured Obligations (including the Mortgaged Property), which action may be brought or consolidated in the courts of, or sale conducted in, any county in which any of such collateral is located. Mortgagor acknowledges that the right to maintain a consolidated foreclosure action is a specific inducement to the Holders of the Obligations to extend indebtedness, and Mortgagor expressly and irrevocably waives any objections to the commencement or consolidation of the foreclosure proceedings in a single action and any objections to the laying of venue or based on the grounds of forum non conveniens which it may now or hereafter have. Mortgagor further agrees that if Mortgagee shall be prosecuting one or more foreclosure or other proceedings against a portion of the Mortgaged Property or against any collateral other than the Mortgaged Property, which collateral directly or indirectly secures the Secured Obligations, or if Mortgagee shall have obtained a judgment of foreclosure and sale or similar judgment against such collateral, then, whether or not such proceedings are being maintained or judgments were obtained in or outside the State in which the Premises are located, Mortgagee may commence or continue any foreclosure proceedings and exercise its other remedies granted in this Mortgage against all or any part of the Mortgaged Property and Mortgagor waives any objections to the commencement or continuation of a foreclosure of this Mortgage or exercise of any other remedies hereunder based on such other proceedings or judgments, and waives any right to seek to dismiss, stay, remove, transfer or consolidate either any action under this Mortgage or such other proceedings on such basis. Neither the commencement nor continuation of proceedings to foreclose this Mortgage, nor the exercise of any other rights hereunder nor the recovery of any judgment by Mortgagee in any such proceedings or the occurrence of any sale in any such proceedings shall prejudice, limit or preclude Mortgagee's right to commence or continue one or more foreclosure or other proceedings or obtain a judgment against any other collateral (either in or outside the State in which the Premises are located) which directly or indirectly secures the Secured Obligations, and Mortgagor expressly waives any objections to the commencement of, continuation of, or entry of a judgment in such other sales or proceedings or exercise of any remedies in such sales or proceedings based upon any action or judgment connected to this Mortgage, and Mortgagor also waives any right to seek to dismiss, stay, remove, transfer or consolidate either such other sales or proceedings or any sale or action under this Mortgage on such basis. It is expressly understood and agreed that to the

fullest extent permitted by law, Mortgagee may, at its election, cause the sale of all collateral which is the subject of a single foreclosure action at either a single sale or at multiple sales conducted simultaneously and take such other measures as are appropriate in order to effect the agreement of the parties to dispose of and administer all collateral securing the Secured Obligations (directly or indirectly) in the most economical and least time-consuming manner.

26. Successors and Assigns. All covenants of Mortgagor contained in this Mortgage are imposed solely and exclusively for the benefit of Mortgagee, and its successors and assigns, and no other person or entity shall have standing to require compliance with such covenants or be deemed, under any circumstances, to be a beneficiary of such covenants, any or all of which may be freely waived in whole or in part by Mortgagee at any time if, in its sole discretion, such a waiver is deemed advisable. All such covenants of Mortgagor shall run with the land and bind Mortgagor, the successors and assigns of Mortgagor and all subsequent owners, encumbrancers and tenants of the Mortgaged Property, and shall inure to the benefit of Mortgagee and its successors and assigns. If there shall be more than one Mortgagor, the obligations of Mortgagors shall be joint and several.

27. No Waivers, etc. Any failure by Mortgagee to insist upon the strict performance by Mortgagor of any of the terms and provisions of this Mortgage shall not be deemed to be a waiver of any of the terms and provisions hereof, and Mortgagee, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Mortgagor of any and all of the terms and provisions of this Mortgage to be performed by Mortgagor. Mortgagee may release, regardless of consideration and without the necessity for any notice to or consent by the holder of any subordinate lien on the Mortgaged Property, any part of the security held for the Secured Obligations without, as to the remainder of the security, in any way impairing or affecting the lien of this Mortgage or the priority of such lien over any subordinate lien or mortgage.

28. Governing Law, etc. This Mortgage shall be governed by and construed and interpreted in accordance with the laws of the Louisiana, without giving effect to principles of conflicts of laws.

29. Certain Definitions. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Mortgage shall be used interchangeably in singular or plural form and the word "Mortgagor" shall mean "each Mortgagor or any subsequent owner or owners of the Mortgaged Property or any part thereof or interest therein," the word "Mortgagee" shall mean "Mortgagee or any successor trustee under the Master Indenture," the word "person" shall include any individual, corporation, partnership, limited liability company, trust, unincorporated association, government, governmental authority, or other entity, and the words "Mortgaged Property" shall include any portion of the Mortgaged Property or interest therein. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa. The captions in this Mortgage are for convenience or reference only and in no way limit or amplify the provisions hereof.

30. Enforcement of Expenses; Indemnification. To the extent required to be paid or reimbursed by Mortgagor under Section 7.05 of the Master Indenture,

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(a) Mortgagor agrees to pay or reimburse Mortgagee for all its costs and expenses incurred in enforcing or preserving any rights under this Mortgage and the Master Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and its agents).

(b) Mortgagor agrees to pay, and to save Mortgagee harmless from, any and all liabilities with respect to, or resulting from any delay in paying, any and all stamp, excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Mortgaged Property or in connection with any of the transactions contemplated by this Mortgage.

(c) Mortgagor agrees to pay, and to save Mortgagee harmless from, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance and administration of this Mortgage to the extent Mortgagor would be required to do so pursuant to Section 7.05 of the Master Indenture.

(d) The agreements in this Section 30 shall survive repayment of the Secured Obligations and all other amounts payable under the Master Indenture, any Related Supplement and any Obligation.

31. Last Dollars Secured; Priority

This Mortgage secures only a portion of the indebtedness owing or which may become owing by Mortgagor to the Holders of the Obligations. The parties agree that any payments or repayments of such indebtedness shall be and be deemed to be applied first to the portion of the indebtedness that is not secured hereby, it being the parties' intent that the portion of the indebtedness last remaining unpaid shall be secured hereby. If at any time this Mortgage shall secure less than all of the principal amount of the Secured Obligations, it is expressly agreed that any repayments of the principal amount of the Secured Obligations shall not reduce the amount of the lien of this Mortgage until the lien amount shall equal the principal amount of the Secured Obligations outstanding.

32. Release; Termination. (a) At such time as the Secured Obligations shall have been paid in full and satisfied, the Mortgaged Property shall be automatically released from the liens created hereby, and this Mortgage and all obligations (other than those expressly stated to survive such termination) of Mortgagee and Mortgagor hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Mortgaged Property shall revert to Mortgagor. At the request and sole expense of Mortgagor following any such termination, Mortgagee shall execute and deliver to Mortgagor or such documents as Mortgagor shall reasonably request to evidence such termination.

(b) If any of the Mortgaged Property shall be sold, transferred or otherwise disposed of by Mortgagor in a transaction permitted by the Master Indenture, then Mortgagee, at the request and sole expense of Mortgagor, shall execute and deliver to Mortgagor all releases or other documents reasonably necessary or desirable for the release of the liens created hereby on such Mortgaged Property.

33. Counterparts. This Mortgage may be executed in any number of counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same document.

34. State Specific Provisions; Incorporation by Reference.

(a) Conflicting Provisions. To the extent of any inconsistency, conflict or disagreement between the terms and provisions set forth in this Special State Provisions section and the other terms and provisions of this Mortgage, the terms and provisions of this Special State Provisions section shall govern, control and supersede such other terms and provisions to the extent of such inconsistencies, conflict or disagreement.

(b) Security Interest. Without limiting the terms of this Mortgage, it is the intent of Mortgagor that Mortgagor does by these presents specifically mortgage, affect and hypothecate, collaterally assign, pledge and grant a continuing security interest upon, unto and in favor of Mortgagee any and all of the Property that is susceptible of mortgage under Louisiana law, and does further affect, hypothecate, and grant a continuing security interest in favor of Mortgagee, as secured party, in all the Property that is susceptible to the grant of a security interest under the Uniform Commercial Code, and does further affect, hypothecate, collaterally assign, and pledge and grant a continuing security interest unto and in favor of Mortgagee, as pledgee and assignee, all the present and future Leases, Rents and Profits that are susceptible of pledge under La. Civil Code arts. 3168 et seq., La. R.S. 9:4401 et seq. and Title XX-A of Book III of the La. Civil Code, all for the purposes of securing the Obligations up to the Maximum Amount.

(c) Maximum Amount Secured. This Mortgage has been executed by Mortgagor pursuant to Article 3298 of the Louisiana Civil Code for the purpose of securing the Obligations that may now be existing and/or that may arise in the future as provided herein, with the preferences and priorities provided under applicable Louisiana law, regardless of whether the Obligations are direct, indirect, primary, secondary, joint, several, joint and several, solidary, liquidated, unliquidated, absolute or contingent, voluntary or involuntary, determined or undetermined, due or to become due, or otherwise secured or unsecured and whether Mortgagor is obligated alone or with others in a joint, several or solidary basis, as a principal obligor or as a surety. This Mortgage shall secure not only presently existing Obligations but also future advances that constitute Obligations, to the same extent and with the same priority as if such future advances were made on the date of the execution of this Mortgage and without regard to as to whether or not there is any indebtedness outstanding at the time any advance is made. However, nothing under this Mortgage shall be construed as limiting the duration of this Mortgage or the purpose or purposes for which the Obligations may be requested or extended. Notwithstanding any other provision of this Mortgage, the maximum amount of the Obligations secured hereby at any time from time to time shall be limited to [_____] and 00/100 Dollars ($[_____]) (the "Maximum Amount").

(d) Maturity Date. The stated maturity date of the [Master Indenture] is [_____, 20____], unless extended as provided in the Master Indenture.

(e) Power of Sale. All references to "power of sale" in this Mortgage are deleted.

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(f) Louisiana Remedies. In addition to and not in lieu or limitation of its other remedies set out in this Mortgage, if an Event of Default, at any time thereafter, Mortgagee, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights and remedies provided by law, and in the event of a conflict between provisions of Special State Provisions section hereof and the following provisions, the following provisions shall control:

a. Acceleration. Mortgagee shall have the right, at its sole option, to accelerate the maturity and demand payment in full of the Obligations. Mortgagee shall then have the right to commence foreclosure proceedings against the Property as provided in this Mortgage.

b. Seizure and Sale of Property. In the event that Mortgagee elects to commence Louisiana foreclosure proceedings under this Mortgage, Mortgagee may cause the Property, or any part or parts thereof, to be immediately seized and sold, whether in term of court or in vacation, under ordinary or executory process, in accordance with applicable Louisiana law, to the highest bidder for cash, with or without appraisement, and without the necessity of making additional demand upon or notifying Mortgagor or placing Mortgagor in default, all of which are expressly waived.

c. Confession of Judgment. Mortgagor hereby confesses judgment and acknowledges to be indebted unto and in favor of Mortgagee for the Obligations, up to the full amount of the Obligations in principal, interest, costs, expenses, attorneys' fees, receivers' fees, keepers' fees, and all sums that Mortgagee may have advanced for the payment of premiums of insurance, taxes and assessments or for the protection and preservation of the Property as authorized herein, and any other sums secured by this Mortgage, together with interest thereon if any of the same is not paid at maturity or when otherwise due. Mortgagor further confesses judgment and acknowledges to be indebted unto and in favor of Mortgagee, in the amount of all additional advances, costs and expenses that Mortgagee may make on Mortgagor's behalf pursuant to this Mortgage, together with interest thereon, including particularly but not by way of limitation or exclusion attorneys' fees and expenses. Mortgagor hereby expressly waives to the extent permitted under applicable federal and Louisiana law: (i) the benefit of appraisement as provided in Articles 2332, 2336, 2723 and 2724 of the Louisiana Code of Civil Procedure, and all other laws with regard to appraisal upon judicial sale; (ii) the notice of seizure as provided by Articles 2293 and 2721 of the Louisiana Code of Civil Procedure; (iii) the three (3) day delay provided by Articles 2331 and 2722 of the Louisiana Code of Civil Procedure; and (iv) all other benefits provided under Articles 2331, 2721, 2722 and 2723 of the Louisiana Code of Civil Procedure and any other articles not specifically mentioned herein.

d. Keeper. Should any or all of the Property be seized as an incident to an action for the recognition or enforcement of this Mortgage, by executory process, sequestration, attachment, writ of fieri facias or otherwise, Mortgagor hereby agrees that the court issuing any such order shall, if requested by Mortgagee, direct the applicable sheriff to appoint Mortgagee, or any agent designated by Mortgagee, or any person or entity named by Mortgagee at the time such seizure is requested, or any time thereafter, as keeper ("Keeper") of the Property as provided under La. R.S. 9:5136 et seq. Such a Keeper shall be entitled to reasonable compensation. It is hereby agreed that the keeper shall be entitled to receive as compensation, in excess of its reasonable costs and expenses incurred in the administration or preservation of the Property and the UCC Collateral, an amount equal to the lesser of $200 per day or four percent of the gross revenues of the Property.

The designation of Keeper made herein shall not be deemed to require the Mortgagee to provoke the appointment of such a Keeper.

e. Declaration of Fact. Should it become necessary for Mortgagee to foreclose under this Mortgage, all declarations of fact, which are made under an authentic act before a Notary Public in the presence of two witnesses, by a person declaring such facts to lie within his or her knowledge, shall constitute authentic evidence for purposes of executory process and also for purposes of La. R.S. 9:3509.1, La. R.S. 9:3504(D)(6) and La. R.S. 10:9-629, where applicable.

f. Automatic Transfer of Rights. In the event of foreclosure under this Mortgage, or other transfer of title or assignment of the Property, or any part or parts thereof, in lieu of payment of the Obligations, whether in whole or in part, all policies of insurance and other incorporeal rights applicable to the foreclosed upon or transferred Property (collectively, the "Rights") shall automatically inure to the benefit of and shall pass to the purchaser(s) or transferee)s) thereof, subject to the rights of the purchaser(s) or transferee(s) to reject such insurance coverage and/or Rights at its or their sole option and election.

g. Public or Private Sale of Collateral. To the extent that any of the Property is then in Mortgagee's possession, Mortgagee shall have full power to sell, lease, transfer, or otherwise deal with the collateral or proceeds thereof in its own name or that of Mortgagor. Mortgagee may sell the Property at public auction or private sale. Unless the collateral threatens to decline speedily in value or is of a type customarily sold on a recognized market, Mortgagee will give Mortgagor reasonable notice of the time after which any private sale or any other intended disposition of the Property is to be made. All expenses relating to the disposition of the Property, including without limitation the expenses of retaking, holding, insuring, preparing for sale and selling the Property, shall become a part of the Obligations secured hereby and shall be payable on demand. Mortgagor agrees that any such sale shall be conclusively deemed to be conducted in a commercially reasonable manner if it is made consistent with the standard of similar sales of collateral by commercial banks in Louisiana.

h. Collect Revenues, Apply Accounts. Mortgagee shall have the right, at its sole option and election, to directly collect and receive all proceeds and/or payments arising under or in any way accruing from the Property, as such amounts become due and payable. In order to permit the foregoing, Mortgagor unconditionally agrees to deliver to Mortgagee, immediately following demand, any and all of Mortgagor's records, ledger sheets, and other documentation, in the form requested by Mortgagee, with regard to the Property and any and all proceeds and/or payments applicable thereto. Mortgagee shall have the further right within Mortgagee's sole discretion, to file suit, either in Mortgagee's own name or in the name of Mortgagor, to collect any and all proceeds and payments that may then and/or in the future be due and owing under this Mortgage, and if as a result of such it is necessary for Mortgagee to attempt to collect any such proceeds and/or payments from the obligors therefor, Mortgagee may compromise, settle, extend, or renew for any period (whether or not longer than the original period) any obligation or indebtedness thereunder or evidenced thereby, or surrender, release, or exchange all or any part of said obligation or indebtedness, without affecting the liability of Mortgagor under this Mortgage or under the Obligations. To that end, Mortgagor hereby irrevocably constitutes and appoints Mortgagee as its attorney-in-fact, coupled with an interest and with full power of substitution, to

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take any and all such actions and any and all other actions permitted hereby, either in the name of Mortgagor or Mortgagee.

i. Additional Expenses. In the event that it should become necessary for Mortgagee to conduct a search for any of the Property in connection with any foreclosure action, or should it be necessary to remove the Property, or any part or parts thereof, from the premises in which or on which the Property is then located, and/or to store and/or refurbish such Property, Mortgagor agrees to reimburse Mortgagee for the cost of conducting such a search and/or removing and/or storing and/or refurbishing such Property, which additional expense shall also be secured by the lien of this Mortgage and the assignments, pledges and security interests created herein.

j. Specific Performance. Mortgagee may, in addition to the foregoing remedies, or in lieu thereof, in Mortgagee's sole discretion, commence an appropriate action against Mortgagor seeking specific performance of any covenant contained herein or in aid of the execution or enforcement of any power herein granted.

k. Cumulative Remedies. Mortgagee's remedies as provided herein shall be cumulative in nature and nothing under this Mortgage shall be construed as to limit or restrict the options and remedies available to Mortgagee following any Event of Default, or to in any way limit or restrict the rights and ability of Mortgagee to proceed directly against Mortgagor and/or any guarantor or endorser of the Master Indenture, or to proceed against other collateral directly or indirectly securing the Master Indenture.

l. Pledge of Leases and Rents. To the fullest extent provided by Louisiana law, this Mortgage shall constitute a pledge of leases, including without limitation the Leases, any and all rental payments and other income generated from the Property or received by Mortgagor (collectively, the "Rents and Profits") pursuant to Louisiana Civil Code Article 3168 et seq., as supplemented by Louisiana Revised Statute 9:4401 et seq. (and any successor or similar provisions of applicable Louisiana law, including but not limited to Title XX-A of Book III of the Civil Code, Chapter 2 of Title XXII-A of Book III of the Civil Code, and La. R.S. 9:4403, all as enacted by Act No. 281 of the 2014 Regular Session of the Louisiana State Legislature), a pledge and collateral assignment of insurance proceeds and other incorporeal rights pursuant to La. R.S. § 9:5386, a right to receive condemnation awards in accordance with La. R.S. § 19:11, and a grant of authority to carry out and enforce rights pursuant to La. R.S. § 9:5388. The parties acknowledge that they do not intend to create an absolute assignment of leases and rents, but rather a pledge and collateral assignment as security for the Obligations. Upon the occurrence of an Event of Default hereunder, Mortgagee, without in any way waiving such default, at its option, without notice and without regard to the adequacy of the security for the Obligations or to whether it has exercised any of its other rights or remedies hereunder, shall have the right to directly collect and receive all Rents and Profits and any other proceeds and/or payments arising under or in any way accruing under the Leases pledged herein, as such amounts become due and payable and to apply the same to the Obligations as provided herein. In order to permit the foregoing, upon the occurrence of an Event of Default, Mortgagor unconditionally agrees to deliver to Mortgagee, immediately following demand, any and all of Mortgagor's records, ledger sheets, and other documentation, in the form requested by Mortgagee, with regard to the Leases and the Rents and Profits and any and all proceeds and/or payments applicable thereto. Mortgagee shall have the further right, upon the

occurrence of an Event of Default, where appropriate and within Mortgagee's sole discretion, to file suit, either in Mortgagor's own name or in the name of Mortgagee, to collect any and all Rents and Profits and other proceeds and payments that may then and/or in the future be due and owing under and/or as a result of the Leases pledged herein. Where it is necessary for Mortgagee to attempt to collect any such Rents and Profits and other proceeds and/or payments from the obligors therefor, Mortgagee may compromise, settle, extend, or renew for any period (whether or not longer than the original period) any obligation or indebtedness thereunder or evidenced thereby, or surrender, release, or exchange all or any part of said obligation or indebtedness, without affecting the liability of Mortgagee under this Mortgage or under the Obligations. To that end, Mortgagor hereby irrevocably constitutes and appoints Mortgagee as its attorney-in-fact, coupled with an interest and with full power of substitution, to take any and all such actions and any and all other actions permitted hereby, either in the name of Mortgagor or Mortgagee. In order to permit the foregoing, upon the occurrence of an Event of Default, Mortgagee shall have the additional irrevocable right, coupled with an interest, to: (a) remove any and all of Mortgagor's documents, instruments, files and records relating or pertaining to the Leases and/or the Rents and Profits from any premises where the same shall then be located; (b) at Mortgagor's sole cost and expense, use such of Mortgagor's personnel, supplies and space at Mortgagor's place or places of business as may be necessary and proper within Mortgagee's sole discretion, to administer collection of such proceeds and/or payments; (c) receive, open and dispose of all mail addressed to Mortgagor pertaining to any of the Leases and/or the Rents and Profits and proceeds and/or payments thereunder; (d) notify the postal authorities to change the address the delivery of mail addressed to Mortgagor pertaining to any of the Leases and/or Rents and Profits and proceeds and/or payments thereunder, to such address as Mortgagee may designate; (e) endorse Mortgagor's name on any and all notes, acceptances, checks, drafts, money orders, or other evidences of payment of such proceeds and/or payments that may come into Mortgagee's possession, and to deposit or otherwise collect the same; (f) prepare and mail invoices and/or statements to such obligors and/or debtors; (g) send verifications of amounts owed to such obligors; and (h) execute in Mortgagor's name affidavits and/or notices with regard to lien rights available to Mortgagor in connection with such Leases and/or Rents and Profits. In the event that Mortgagor should, for any reason whatsoever, receive any proceeds derived from the sale, lease, insurance loss, damage and/or condemnation of all or any part of said premises and/or the Leases or Rents and Profits, or should Mortgagor receive any other payments under the Leases or Rents and Profits as provided hereunder (with such proceeds and/or payments being hereinafter individually, collectively and interchangeably referred to as Mortgagor's "Rent Funds"), following notice to the obligors thereunder to make their respective payments directly to Mortgagee, Mortgagor shall hold such Rent Funds in trust for and on behalf of Mortgagee, and Mortgagor hereby unconditionally agrees to remit or to otherwise turn over such Rent Funds to Mortgagee immediately following demand. Should Mortgagor deposit any such Rent Funds into one or more of Mortgagor's deposit accounts, no matter where located, Mortgagee shall have the additional right to attach any and all of Mortgagor's deposit accounts in which Mortgagee may prove such Rent Funds were deposited, whether or not such Rent Funds are or were commingled with other moneys of Mortgagor, and whether or not such Rent Funds then remain on deposit in such an account or accounts. Anything to the contrary in this Mortgage notwithstanding, Mortgagee will not be deemed or construed to have taken possession of said premises or to be managing it by reason of its exercise of any of its rights or remedies under this subsection (l).

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(g) Louisiana Definitions. The term "lien" will also mean a privilege, mortgage, security interest, pledge, assignment, or other encumbrance. The terms "real property" and "real estate" will mean "immovable property" as that term is used in the Louisiana Civil Code and shall include any "component parts" as that term is used in Louisiana Civil Code art. 465. The term "personal property" will mean "movable property" as that term is used in the Louisiana Civil Code. The term "easement" will mean "servitude" as that term is used in the Louisiana Civil Code. The term "building" will also include "other constructions" as that term is used in the Louisiana Civil Code and shall include any "component parts" as that term is used in Louisiana Civil Code art. 466. The term "tangible" will mean "corporeal" as that term is used in the Louisiana Civil Code. The term "intangible" will mean "incorporeal" as that term is used in the Louisiana Civil Code. The term "Uniform Commercial Code" shall include the Louisiana Commercial Laws, La. R.S. 10:1-101 et seq. The terms "fee estate", "fee simple" and "fee owner" will mean "full ownership interest" as that term is used in the Louisiana Civil Code. The term "condemnation" will include "expropriation" as that term is used in Louisiana law. The term "receiver" will include "keeper" as that term is used in Louisiana law. The terms "deed in lieu of foreclosure", "conveyance in lieu of foreclosure", and words of similar import will mean "giving in payment" as that term is used in the Louisiana Civil Code and shall include a "dation en paiment." The term "joint and several" will mean "solidary" as that term is used in the Louisiana Civil Code. The phrase "covenant running with the land" and other words of similar import shall be deemed to include a real right or a recorded lease of immovable property. The term "county" shall be deemed to include a parish.

(h) Louisiana Certificates. The parties to this Mortgage hereby waive the production of mortgage, conveyance, tax, paying, assignment of accounts receivable and other certificates and relieve and release the Notary Public before whom this Mortgage was passed from all responsibilities and liabilities in connection therewith.

(i) No Paraph. No note or any other document evidencing the Obligations has been delivered to the undersigned Notary Public for purposes of paraphing it for identification with this Mortgage.

(j) Powers of Attorney. To the extent applicable, any powers of attorney and similar grants of authority given by Mortgagor to Mortgagee in this Mortgage shall be deemed to be given pursuant to the provisions of La. R.S. § 9:5388.

(k) Acceptance by Mortgagee. The acceptance of this Mortgage by Mortgagee and the consent by Mortgagee to the terms and conditions of this Mortgage are presumed and, under the provisions of Louisiana Civil Code Articles 3289 and 3150, Mortgagee has not been required to sign this Mortgage.

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SIGNATURE PAGE FOR MORTGAGOR TO MULTIPLE INDEBTEDNESS MORTGAGE, SECURITY AGREEMENT AND PLEDGE AND ASSIGNMENT OF LEASES AND RENTS

THUS DONE AND PASSED, in Denver, the County of Denver, State of Colorado, on September ____, 2025, but effective as of the Effective Date, in the presence of the two undersigned competent witnesses who have hereunto signed their names with Mortgagor and me, Notary Public, after due reading of the whole.

WITNESSES:

_____

Print Name: _____

_____

Print Name: _____

MORTGAGOR:

ALPHA LIFESTYLE PARTNERS, INC.,
a Delaware nonstock corporation

By: _____
Name: Cassidy Dines
Its: President

_____
NOTARY PUBLIC
PRINT NAME: _____
NOTARY/BAR NO. _____
MY COMMISSION EXPIRES: _____

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Exhibit “A”

Description of the Land

The Land referred to herein below is situated in the Parish of St. Tammany, State of Louisiana and is described as follows:

PARCEL 1:
A particular parcel of land, located in Section 15, Township 7 South, Range 11 East, St. Tammany Parish, Louisiana and more particularly described as follows, to-wit:

Commencing at the Northeast corner of Section 15, Township 7 South, Range 11 East;

Thence proceed South 00 degrees 39 minutes 48 seconds East for a distance of 2507.87 feet to the Point of Beginning:

Thence South 00 degrees 51 minutes 12 seconds East for a distance of 625.23 feet to point and corner;

Thence South 88 degrees 41 minutes 22 seconds West for a distance of 469.08 feet to point and corner;

Thence North 01 degrees 35 minutes 38 seconds West for a distance of 267.79 feet to point and corner;

Thence South 88 degrees 41 minutes 22 seconds West for a distance of 12.21 feet to point and corner;

Thence North 08 degrees 57 minutes 17 seconds East for a distance of 367.90 feet to point and corner;

Thence North 89 degrees 18 minutes 46 seconds East for a distance of 422.06 feet back to the Point of Beginning.

Said property contains 6.640 Acres, more or less, and is more particularly set forth on the survey of McLin Taylor, Inc., dated September 26, 2017, a copy of which is attached to that act recorded under Entry No. 2017-2077357 of the records of St. Tammany Parish, Louisiana and made a part hereof, by reference thereto.

Informational only:
Municipal Address: 1444 Andrew Drive, Covington, Louisiana 70433
Tax Parcel No. 107-815-5756

PARCEL 2:
That certain reciprocal drainage servitude easement by and between Step Three Investments, LLC and Longview Holdings, LLC by that act recorded under Entry No. 2017-2083588 of the records of St. Tammany Parish, Louisiana.

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Exhibit “B”

Authorizing Resolution

Attached hereto.

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APPENDIX C-5

FORMS OF THE ASSET MANAGEMENT AGREEMENT AND THE NFP MANAGEMENT AGREEMENT

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ASSET MANAGEMENT AGREEMENT

This Asset Management Agreement (this "**Agreement**") is entered into and effective as of this [_____] day of September, 2025 (the "**Effective Date**"), by and between **ALPHA LIFESTYLE PARTNERS, INC.**, a Delaware nonstock corporation ("**Owner**"), and **TRINITY SL ASSET MANAGER LLC**, a Texas limited liability company ("**Asset Manager**"). Any capitalized terms used herein and not otherwise defined shall have the meaning given such term in the Master Trust Indenture (as defined below).

RECITALS

A. Owner owns, directly or indirectly through one or more wholly-owned subsidiaries, each of the senior living properties as more particularly described on Exhibit A attached hereto (as such Exhibit A may be amended by the parties hereto to reflect the addition or removal of certain Projects in connection with the addition or removal of Members of the Obligated Group pursuant to the Master Trust Indenture) and incorporated herein for all purposes, together with the buildings and all other improvements situated or to be situated thereon (each, individually, a "**Project**" and collectively, the "**Projects**").

B. Owner, as Obligated Group Representative and as Member of the Obligated Group, certain other Members of the Obligated Group, and UMB Bank, N.A., as Master Trustee, have entered into that certain Master Trust Indenture dated as of September [__], 2025 (the "**Master Trust Indenture**") for the purpose of providing for the issuance from time to time of obligations thereunder to provide for the financing of the acquisition, improvement and equipping of each of the Projects, or for other lawful and proper corporate purposes.

C. Owner desires to engage the services of Asset Manager to perform oversight, act as Owner's representative and perform asset management services in connection with the operation, administration, renovation, financing, refinancing and ultimate Disposition (as defined herein) of each of the Projects, upon the terms and conditions hereinafter set forth and all under the direction and approval of Owner.

D. Asset Manager wishes to provide such services to Owner in accordance with the terms and conditions of this Agreement.

AGREEMENT

Now, therefore, for $10.00 and other good and valuable consideration, the receipt and sufficiency of which Asset Manager and Owner each acknowledge, and the mutual benefits to be derived by the parties from this Agreement, Asset Manager and Owner agree as follows:

ARTICLE ONE
ENGAGEMENT OF ASSET MANAGER

1.1 General Engagement. Owner engages Asset Manager as an independent contractor to provide the services set forth in this Agreement relating to the operation, administration, renovation, financing, refinancing and ultimate Disposition of each of the Projects. Asset Manager shall act at all times in the best interests of Owner and shall in good faith and with care, skill, diligence and professional competence provide the services set forth in this Agreement in accordance with normal and prudent asset management standards in the real estate industry. In all cases where the duties and obligations of Asset Manager coincide with or are related to the duties and obligations of the Property Manager for the applicable Project (as defined below), Asset Manager shall coordinate its efforts with those of the applicable Property Manager and keep Owner advised with respect to the status of same.

ARTICLE TWO
ASSET MANAGER' S DUTIES

2.1 Business Plans. Asset Manager's duties with regard to the business plan for the Project shall include the following:

(a) Initial Business Plan. Annually, Asset Manager shall cooperate with, provide assistance to and interface with the property manager or operator of the applicable Project, currently the entity name set forth in the column entitled "Property Manager" opposite the applicable Project name on Exhibit A attached hereto, (the "**Property Manager**"), in connection with the preparation and presentation by the Property Manager of the proposed annual capital and operating budgets and the marketing plan for the applicable Project. Thereafter, Asset Manager shall prepare for Owner an executive summary of and shall advise and consult with Owner in connection with the review, modification and approval by Owner of the proposed annual capital and operating budgets and the marketing plan for the applicable Project. Asset Manager shall also prepare for Owner an annual strategic business plan containing recommendations concerning the ownership, operation and maintenance of the applicable Project. Each proposed business plan shall be in a form proposed by Asset Manager and approved by Owner. After preparation and submittal of an initial proposed business plan for the applicable Project for each year, if Owner so requests, Owner and Asset Manager shall meet, make such adjustments and revisions thereto as may be acceptable to Owner, and, after approval by Owner, the same shall constitute a "**Business Plan**" for such Project for the purposes of this Agreement.

(b) Revisions. Asset Manager may recommend to Owner proposed revisions to the applicable Business Plan from time to time when necessary because of changes in circumstances relating to the applicable Project. Revisions to a Business Plan or a draft business plan for the following year shall be subject to approval in the manner provided in Section 2(a) above, and after approval, each revised plan shall be a "**Business Plan**" hereunder.

(c) Implementation. Following Owner's approval of any Business Plan (or revision thereto), Asset Manager shall advise and consult with Owner so as to enable Owner

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to (i) implement the Business Plan in accordance with its terms, (ii) incur the obligations contemplated by the Business Plan, and (iii) enter into and execute such agreements and documents as are necessary or advisable, in Owner's discretion, in connection therewith.

2.2 Asset Review Duties. Asset Manager's duties with regard to asset review for the Project shall include the following duties:

(a) Repair, Maintenance, Renovation and Alteration Review. Inspecting the Projects from time to time and, in accordance with the approved Business Plan for the applicable Project, advising and consulting with Owner in connection with implementing any alterations, renovations, construction, remediation, or repairs that are to be accomplished pursuant to the applicable Business Plan or that are otherwise necessary or desirable to preserve, maintain, or enhance the value of the applicable Project. In this regard, Asset Manager shall also monitor and oversee all projects and/or renovations that are capital in nature with respect to the Projects and keep Owner advised as to the status of the commencement, progress and completion thereof.

(b) Regulatory Compliance Review. Consulting with and advising Owner in connection with (i) reviewing the Projects to assure compliance with applicable governmental regulations (including environmental regulations and the Americans With Disabilities Act), (ii) implementing a program to bring any non-complying portions of the Projects into compliance with applicable regulations, and (iii) implementing a program to monitor continuing compliance with governmental regulations. In connection with the foregoing, Asset Manager shall coordinate its efforts with those of the applicable Property Manager and keep Owner advised with respect to each such project as to commencement, progress and completion.

(c) Casualty Insurance and Risk Management Review. Consulting with and advising Owner in connection with surveying the insurable risks of the Projects, appointing an Insurance Consultant (as defined in the Master Trust Indenture), determining appropriate levels of insurance coverage consistent with the requirements set forth in the Loan Documents (as defined herein), obtaining and negotiating price quotations for such coverage, placing insurance coverage after approval of Owner, monitoring pending litigation and keeping Owner advised as to the commencement, progress and conclusion thereof, as well as coordinating the filing, processing and settlement of all insured claims and any related litigation.

(d) Ad Valorem Tax Review. Consulting with and advising Owner in connection with the review of existing assessed valuations of the Projects for ad valorem tax purposes and, where appropriate, implementing appropriate plans to reduce assessed valuations.

(e) Accounting and Tax Returns. Consulting with and advising Owner in connection with the preparation of the applicable Project financial statements, internal and external audit and tax return preparation and filing. Asset Manager shall make recommendations to Owner as to the selection and engagement of accountants and auditors and shall oversee, monitor and cooperate with any accountants and auditors engaged by Owner. Asset Manager shall coordinate the preparation, on a form to be mutually agreed upon, and in cooperation with the accountants and auditors, of the annual financial statements of the Projects.

(f) Cash Management. Consulting with and advising Owner in connection with establishing, implementing and monitoring a cash management system for the Projects.

(g) Loan Documents. Consulting with and advising Owner with respect to Owner's compliance with all covenants and disclosure obligations set forth in any mortgage on the applicable Project(s) or the Master Trust Indenture (the "**Loan Documents**").

2.3 Property Management Duties. Asset Manager's duties with regard to the property management of the Projects shall include:

(a) Property Manager. Asset Manager shall monitor the applicable Property Manager's performance, review all reports concerning operation and management of the applicable Project prepared by the applicable Property Manager, when appropriate summarize such reports for, and present such reports to, Owner, and advise and consult with Owner in connection with Owner's efforts to enforce all property management contracts.

(b) Monitoring of Revenue and Expenses. Consulting with and advising Owner in connection with Owner's efforts to monitor the actual monthly income and expenses of the applicable Project, collecting revenues and paying operating expenses, and comparing actual results to the applicable Business Plans and relevant operating budgets.

2.4 Marketing Services. Consulting with and advising Owner in connection with implementing a marketing plan for Projects.

2.5 Books, Records and Reports. Asset Manager shall, at Owner's expense, provide any reports, summaries, statements or schedules reasonably requested by Owner, including, without limitation, an annual report for each of the Projects.

2.6 Disposition. Consulting with and advising Owner regarding any potential disposition, sale or exchange ("**Disposition**") of one or more of the Projects or any part thereof and, upon any Owner's request, participating with Owner in negotiating the terms of any such Disposition and aiding Owner in consummating any such Disposition.

2.7 Limitations on Asset Manager's Authority. Asset Manager shall not, absent an express future written authorization from Owner that is agreed to and accepted by Asset Manager, have authority to (a) enter into any contract or agreement on Owner's behalf that is not contemplated by the terms and provisions of this Agreement or a Business Plan (including, without limitation, any letter of intent or contract for sale), (b) sell or otherwise dispose of all or any part of any Project, (c) consummate any financing or refinancing transaction with respect to any Project, or (d) encumber any Project or Owner's operation of any Project in any manner.

2.8 Performance of Duties. Asset Manager shall devote such time as shall reasonably be required to perform the services contemplated by this Agreement. Additionally, notwithstanding anything to the contrary contained herein, the parties agree and acknowledge that each Project will at all times have a Property Manager and that the Property Manager for such Project will be primarily responsible for the day-to-day management and operational obligations

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and duties with regard to the performance of such Project and that Asset Manager shall solely provide oversight on behalf of Owner with regard to each Project.

ARTICLE THREE
OWNER'S DUTIES

3.1 Information and Cooperation. Owner shall (a) provide Asset Manager access to all files in its possession or in the possession of the applicable Property Manager pertaining to the applicable Project, (b) furnish Asset Manager with all information in Owner's possession reasonably necessary to enable Asset Manager to perform its duties, and (c) otherwise reasonably cooperate with and assist Asset Manager in performance of Asset Manager's duties.

3.2 Approval Policy. Owner shall reasonably cooperate with Asset Manager in granting or withholding approvals required under this Agreement in a timely manner. When seeking Owner's approval of matters hereunder, Asset Manager shall endeavor to provide such detailed supporting information as may be reasonably necessary to enable Owner to evaluate the matter in question.

3.3 Funding. Owner shall provide all funds reasonably required to enable Asset Manager to perform its duties hereunder and under the Master Trust Indenture and for Asset Manager's expense reimbursement (including travel and associated expenses); provided, however, Owner shall not be liable to or be obligated to reimburse Asset Manager for any costs or expenses incurred by Asset Manager unless specifically provided for herein and/or in the Master Trust Indenture.

ARTICLE FOUR
COMPENSATION

4.1 Management Fee.

(a) In consideration of the performance of Asset Manager's services under this Agreement, Owner shall pay to Asset Manager an annual asset management fee (the "**Asset Management Fee**"), prorated for any partial year, equal to 75% of the sum of (i) the product of (A) one and one-half percent (1.50%), multiplied by (B) the Gross Revenues received by Owner (or any affiliate thereof) from the Projects during the applicable fiscal year, less (ii) the Senior NFP Management Fee (as defined in the NFP Management Agreement) paid to the Owner pursuant to the terms of the NFP Management Agreement (as defined in the Master Trust Indenture). The Asset Management Fee shall be payable solely from funds on deposit in the Subordinated Management Fees Fund established pursuant to the Master Trust Indenture.

(b) The Asset Management Fee shall be payable to Asset Manager within thirty (30) days after funds are deposited in the Subordinated Management Fees Fund pursuant to the terms of the Master Trust Indenture. Upon termination of this Agreement, the parties will prorate the Asset Management Fee on a daily basis to the effective date of such cancellation or termination. The calculation of the Asset Management Fee shall be reviewed on an annual basis in connection with Asset Manager's and Owner's review and approval of the applicable Business Plan for each year.

(c) For purposes of this Agreement, the term "**Gross Revenues**" shall mean all receipts, revenues, rentals, income, insurance proceeds (including, without limitation, all Medicaid, Medicare and other third party payments, but not including insurance proceeds not related to operating services at the Projects), condemnation awards, entrance fees, and other moneys received by or on behalf of any Member of the Obligated Group, including (without limitation) revenues derived from (a) the ownership, operation or leasing of any portion of the Projects (including, without limitation, fees payable by or on behalf of residents of the Projects) and all rights to receive the same (other than the right to receive Medicaid and Medicare payments), whether in the form of accounts, general intangibles or other rights, and the proceeds of such accounts, general intangibles and other rights, whether now existing or hereafter coming into existence or whether now owned or held or hereafter acquired, (b) proceeds derived from (i) accounts receivable, (ii) securities and other investments, (iii) inventory and other tangible and intangible property, and (iv) contract rights and other rights and assets now or hereafter owned by the Obligated Group; (c) rentals received from the lease of space; (d) investment earnings on and other income from amounts held in the Revenue Fund, the Operating Account and the Major Improvement and Operating Support Reserve Fund; (e) proceeds of any borrowing in accordance with Section 5.01(h) of the Master Trust Indenture; and (f) investment earnings on and other income from amounts held in any debt service reserve fund established under a Related Bond Indenture; provided, however, that Gross Revenues shall not include (1) income derived from Defeasance Obligations that are irrevocably deposited in escrow to pay the principal of or interest on any defeased Obligations; (2) any gains or losses resulting from the sale, exchange or other disposition of property not in the ordinary course of business, or the reappraisal, reevaluation or write-up of assets, or any other extraordinary gains or losses; (3) proceeds of any borrowing (other than a borrowing pursuant to Section 5.01(h) of the Master Trust Indenture); (4) income derived from investment earnings on amounts held in the Rebate Fund under a Related Bond Indenture; (5) Excess Sale Proceeds; and (6) gifts, grants, bequests, donations and contributions to a Member of the Obligated Group heretofore or hereafter made, and the income and gains derived therefrom, which are specifically restricted by the donor or grantor to a particular purpose which is inconsistent with their use of payments required under the Master Trust Indenture; provided, further, for the avoidance of doubt, Gross Revenues shall not include the revenues of any subsidiaries of the Obligated Group Representative which are not Members of the Obligated Group.

(d) Upon the occurrence of an Event of Default under the Master Trust Indenture, the parties agree to negotiate in good faith to amend this Agreement in accordance with Section 8.8 hereof and reduce the Asset Management Fee payable hereunder to an amount that assists the Obligated Group in curing such Event of Default, including, if necessary, the waiver of any unpaid Asset Management Fees, with the understanding that such Asset Management Fees shall not be reduced below the Asset Manager's costs of performing the services hereunder. In the event that the parties are unable to agree to a reduced rate pursuant to the terms of this subsection (d) within sixty (60) days of the occurrence of an Event of Default under the Master

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Trust Indenture, such failure shall be deemed to be an Event of Default hereunder and either party shall have the right to terminate this Agreement under the terms of Section 6.2 hereof.

4.2 Survival. Notwithstanding anything to the contrary contained in this Agreement, Owner's obligation to pay Asset Manager all amounts at any time falling due hereunder prior to the expiration or termination of this Agreement shall expressly survive the expiration or earlier termination of this Agreement, regardless of whether or not any such termination is for cause.

ARTICLE FIVE
TERM

5.1 Term. The term of this Agreement (the "**Term**") shall be from the Effective Date to the earlier to occur of (a) the date of any Disposition that results in no Projects being subject to the terms of this Agreement or (b) the effective date, if any, of any termination rights exercised by Owner or Asset Manager pursuant to **Article Six** below. For purposes of clarity, upon a Disposition of all of an applicable Project, such Project shall no longer be subject to the terms of this Agreement upon the effective date of such Disposition.

ARTICLE SIX
DEFAULT AND TERMINATION

6.1 Events of Default. It shall be an event of default ("**Event of Default**") hereunder if (a) either party fails to pay any sum due under this Agreement when due, and such failure to pay continues for a period of ten (10) days after written notice of such failure to the defaulting party from the other party hereto, or (b) either party fails to perform any of its material obligations under this Agreement, and such failure to perform under this Agreement continues for a period of thirty (30) days after written notice of such failure to the defaulting party from the other party hereto; provided that such thirty (30) day period shall be extended for an additional period not to exceed thirty (30) days, if the defaulting party has commenced the curing of such default within said initial thirty (30) day period and is diligently pursuing the completion of such cure.

6.2 Rights and Remedies. Upon the occurrence of an Event of Default, the non-defaulting party may terminate this Agreement by giving written notice to the defaulting party and pursue such other rights and remedies as may be available under applicable law. Termination of this Agreement shall be effective as of the date of such written notice. Provided, however, in no event shall either party hereunder be liable for punitive, incidental, or consequential damages of any type. The parties shall have no other rights against each other under this Agreement except as provided herein.

6.3 Effect of Termination. If this Agreement is terminated by either Owner or Asset Manager, Asset Manager (a) shall deliver all information, reports, the Business Plans and any other applicable Project documents in its possession to Owner and (b) Owner shall have no further obligation to pay any further consideration or compensation to Asset Manager, except for amounts accruing hereunder prior to the termination date but unpaid as of such date of termination.

ARTICLE SEVEN
INSURANCE AND INDEMNITY PROVISIONS

7.1 Owner's Insurance. Owner shall, at Owner's expense, secure and maintain with one or more insurance companies reasonably satisfactory to Asset Manager, the insurance policies having the policy limits and other terms required to be carried by Owner pursuant to the terms of the Loan Documents. Such insurance policies shall also include Asset Manager and the Asset Manager Indemnified Parties as additional insureds. Within ten (10) business days following the Effective Date, Owner shall provide a certificate of insurance to Asset Manager evidencing all requirements set forth in this Section 7.1.

7.2 Waiver of Subrogation. Each of Owner and Asset Manager (on behalf of themselves and on behalf of their respective insurers, agents, employees and affiliates) hereby waives all rights of recovery and subrogation rights against the other party and such other party's agents, employees and affiliates for any loss or damage that is covered or should have been covered under an insurance policy that is required to be maintained under this Agreement. Each of Asset Manager and Owner shall notify its respective insurers of the existence of the foregoing waiver and shall cause such insurers to issue the appropriate endorsement(s) to such policies in order to comply with this paragraph (including without limitation a so-called "Waiver of Subrogation Clause" as to the other party), unless language is already contained in the policy(ies) in order to comply with this paragraph. This provision shall also apply with respect to any insurance policies presently maintained and substituted hereafter. THE RELEASE IN THIS ARTICLE WILL APPLY EVEN IF THE DAMAGE OR LOSS IS CAUSED OR ALLEGED TO BE CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OR STRICT LIABILITY OF THE RELEASED PARTY (TO THE EXTENT COVERED BY THE RELEASING PARTY'S INSURANCE OR THAT WOULD HAVE BEEN COVERED BY THE REQUIRED INSURANCE IF THE PARTY FAILS TO MAINTAIN THE COVERAGES REQUIRED BY THIS AGREEMENT AND THE LOAN DOCUMENTS) BUT WILL NOT APPLY TO THE EXTENT THE DAMAGE OR LOSS IS CAUSED BY THE GROSS NEGLIGENCE, FRAUD OR WILLFUL MISCONDUCT OF THE RELEASED PARTY. THE PHRASE "**RELEASED PARTY**" IN THE PRECEDING SENTENCE WILL INCLUDE, WITH RESPECT TO OWNER, THE OWNER INDEMNIFIED PARTIES, AND WITH RESPECT TO ASSET MANAGER, THE ASSET MANAGER INDEMNIFIED PARTIES.

7.3 Indemnification by Asset Manager. TO THE FULLEST EXTENT PERMITTED BY LAW, ASSET MANAGER SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND OWNER, ITS OFFICERS, DIRECTORS, MANAGERS, MEMBERS, PARTNERS, AGENTS, AND EMPLOYEES (THE "**OWNER INDEMNIFIED PARTIES**") FROM AND AGAINST ALL FINES, SUITS, LIABILITIES, PROCEEDINGS, CLAIMS, COSTS, DAMAGES, LOSSES AND EXPENSES, INCLUDING, BUT NOT LIMITED, TO ATTORNEY'S FEES AND COURT COSTS, DEMANDS, ACTIONS, OR CAUSES OF ACTION, OF ANY KIND AND OF WHATSOEVER NATURE, WHETHER IN CONTRACT OR IN TORT, ARISING FROM, GROWING OUT OF, OR IN ANY WAY RELATED TO THE GROSS NEGLIGENCE, FRAUD OR WILLFUL MISCONDUCT OF ASSET MANAGER.

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7.4 Indemnification by Owner. TO THE FULLEST EXTENT PERMITTED BY LAW, OWNER SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND ASSET MANAGER AND ITS OFFICERS, DIRECTORS, MANAGERS, MEMBERS, PARTNERS, AGENTS, AND EMPLOYEES (THE "**ASSET MANAGER INDEMNIFIED PARTIES**") FROM AND AGAINST ALL FINES, SUITS, LIABILITIES, PROCEEDINGS, CLAIMS, COSTS, DAMAGES, LOSSES AND EXPENSES, INCLUDING, BUT NOT LIMITED, TO ATTORNEY'S FEES AND COURT COSTS, DEMANDS, ACTIONS, OR CAUSES OF ACTION, OF ANY KIND AND OF WHATSOEVER NATURE, WHETHER IN CONTRACT OR IN TORT, ARISING FROM, GROWING OUT OF, OR IN ANY WAY RELATED TO THIS AGREEMENT OR THE PROJECTS, OTHER THAN ANY SUCH FINES, SUITS, LIABILITIES, PROCEEDINGS, CLAIMS, COSTS, DAMAGES, LOSSES AND EXPENSES, INCLUDING, BUT NOT LIMITED, TO ATTORNEY'S FEES AND COURT COSTS, DEMANDS, ACTIONS, OR CAUSES OF ACTION FOR WHICH ASSET MANAGER IS OBLIGATED TO INDEMNIFY THE OWNER INDEMNIFIED PARTIES UNDER SECTION 7.3 ABOVE. IT IS AGREED THAT OWNER'S INDEMNITY IN THE FOREGOING SENTENCE IS INTENDED TO INDEMNIFY THE ASSET MANAGER INDEMNIFIED PARTIES AGAINST THE CONSEQUENCES OF THEIR OWN NEGLIGENCE OR FAULT, EVEN WHEN THE ASSET MANAGER INDEMNIFIED PARTIES ARE JOINTLY, COMPARATIVELY, CONTRIBUTIVELY, OR CONCURRENTLY NEGLIGENT WITH OWNER. THIS INDEMNITY PROVISION SHALL SURVIVE THE TERMINATION OR EXPIRATION OF THIS AGREEMENT. IN ADDITION, OWNER SHALL INDEMNIFY AND HOLD THE ASSET MANAGER INDEMNIFIED PARTIES HARMLESS FOR ASSET MANAGER'S BREACH OF ANY OBLIGATION UNDER THIS AGREEMENT TO PAY ANY AMOUNTS ON BEHALF OF OWNER WITH RESPECT TO THE MANAGEMENT OR OPERATION OF THE PROJECTS, IF AND TO THE EXTENT THAT NECESSARY FUNDS FOR SUCH PAYMENT ARE NOT MADE AVAILABLE IN A TIMELY MANNER TO ASSET MANAGER BY OWNER UPON REQUEST THEREFOR BY ASSET MANAGER.

ARTICLE EIGHT
MISCELLANEOUS

8.1 Relationship between Parties. It is understood and agreed that the relationship between Owner and Asset Manager is one of independent contractors. Neither Owner nor Asset Manager shall control, directly or indirectly, the means, manner, or methods utilized and employed by the other in carrying out their respective duties and responsibilities under this Agreement. Unless specifically authorized pursuant to the terms of this Agreement and as strictly limited by the terms of this Agreement, neither Owner nor Asset Manager shall act as an agent, partner, or joint venture of the other, and this Agreement shall not be construed to create an agency relationship, partnership, or joint venture between Owner and Asset Manager. Neither Owner nor Asset Manager shall enter into any contracts or incur any obligations on behalf of the other or commit the other in any manner not expressly authorized by this Agreement.

8.2 Confidentiality. Each party shall keep confidential all information obtained by such party in connection with this Agreement. A receiving party shall not disclose such confidential information to any person (other than its agents, representatives and legal counsel) unless specifically authorized in writing by the disclosing party or if disclosure is required by subpoena, court order, judicial decree, or law, or is otherwise required to enable the receiving party to perform its duties. This confidentiality obligation shall not be binding on the receiving party with respect to information in the public domain, information that is or was known to the receiving party prior to entering into this Agreement or information that enters the public domain through no fault of the receiving party. The terms and provisions of this Section shall expressly survive the expiration or termination of this Agreement.

8.3 Notice. All notices, demands, consents, approvals, reports and other communications provided for in this Agreement shall be in writing and shall be given to Owner or Asset Manager at the address set forth below or at such other address as they may specify hereafter in writing:

If to Asset Manager, to:
Trinity SL Asset Manager LLC
2102 E. State Hwy 114, Suite 300
Southlake, Texas 76092
Attn: Kraig Behrens
Email: kraig@trinityinvestors.com

If to Owner, to:
Alpha Lifestyle Partners, Inc.
201 South Columbine Street, Unit 300
Denver, Colorado 80206
Attn: Cassidy Dines
Email: cassidy@alphalifestylepartners.org

Notice may be delivered by a recognized overnight delivery service providing a receipt, or other commercially reasonable electronic transmission, or mailed by United States registered or certified mail, return receipt requested, postage prepaid if deposited in a United States Post Office or depository for the receipt of mail regularly maintained by the post office. Notice will be considered effective on the earlier to occur of actual receipt, twenty-four (24) hours after depositing same with the overnight courier service, forty-eight (48) hours after depositing the same as provided above in the United States mail, or, in the case of electronic mail, when transmitted. The parties hereto shall have the right from time to time to change their respective addresses, and each shall have the right to specify as its address any other address within the United States of America by at least five (5) days written notice to the other party.

8.4 Binding Effect. This Agreement shall be binding upon the parties hereto and their respective successors and assigns.

8.5 Governing Law. This Agreement shall be construed in accordance with the laws of State of Texas.

8.6 Attorney's Fees. In the event that at any time during the term of this Agreement either Owner or Asset Manager shall institute any action or proceeding against the other relating to the provisions of this Agreement, or any Event of Default hereunder, the prevailing party in

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such action or proceeding shall be entitled to recover its reasonable attorneys' fees, costs and expenses.

8.7 No Waiver. The failure of a party to seek redress for breach, or to insist upon the strict performance of any covenant, agreement, provision or condition of this Agreement shall not constitute a waiver thereof, and such party shall have all remedies provided herein and by applicable law with respect to any subsequent act which would have originally constituted a breach.

8.8 Amendments; Entire Agreements; Counterparts. This Agreement (a) may be modified or amended only by a writing signed by each of the parties hereto (subject to the terms of any applicable Loan Documents); (b) may be executed in several counterparts, and by the parties hereto in separate counterparts, and each counterpart, when executed and delivered, shall constitute an original agreement enforceable against all who signed it without production of or accounting for any other counterpart, and all separate counterparts shall constitute the same agreement, and (c) embodies the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes all prior conflicting or inconsistent agreements, consents and understandings relating to such subject matter. If any requirements or restrictions set forth in the Loan Documents are more stringent than those imposed by Owner hereunder, Owner will provide information about such requirement to Asset Manager, and Asset Manager will comply with such requirements and, to the extent any provision of any Loan Document(s) conflicts with any provision herein, the applicable Loan Document provision(s) shall control, and Asset Manager shall comply with such requirements or restrictions that Owner provides to Asset Manager.

8.9 Invalidity or Unenforceability. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision was omitted.

8.10 Time Limits. Time is of the essence in this Agreement. Accordingly, all time limits shall be strictly construed and rigidly enforced.

8.11 Estoppel Certificates. Owner and Asset Manager agree, at any time and from time to time, as reasonably requested by any party upon not less than ten (10) days' prior written notice, to execute and deliver to the other parties a statement certifying that this Agreement is unmodified and in full force and effect (or if there have been modifications, that this Agreement is in full force and effect as modified and stating the modifications), certifying the dates on which required payments have been paid, and stating whether or not, to the best knowledge of the signer, the other party is in default in performance of any of its obligations under this Agreement, and if so, specifying each such default of which the signer may have knowledge, it being intended that any such statement delivered pursuant hereto may be relied upon by others with whom the party requesting such certificate may be dealing.

8.12 Approval. Except as herein otherwise provided, whenever in this Agreement the approval of Asset Manager and/or Owner is required, such approval shall not be unreasonably withheld or delayed.

8.13 Not a Third-Party Beneficiary Contract. Neither this Agreement nor any part thereof nor any service, relationship, or other matter alluded to herein shall inure to the benefit of any third-party (including, without limitation, any lenders, residents, or contractors), to any trustee in bankruptcy, to any assignee for the benefit of creditors, to any receiver by reason of insolvency, to any other fiduciary or office representing a bankruptcy or insolvent estate of either party, or to the creditors or claimants of such an estate.

8.14 Limitation of Liability.

(a) Notwithstanding anything to the contrary contained in this Agreement, (i) the liability of Owner to Asset Manager (or any person or entity claiming by, through or under Asset Manager) shall be limited to the interest of Owner in the Projects, and Asset Manager shall look solely to Owner's interest in the Projects for the recovery of any judgment or award against Owner and (ii) the liability of Asset Manager to Owner (or any person or entity claiming by, through or under Owner) shall be limited to the aggregate fees paid to Asset Manager under this Agreement, and Owner shall look solely to such fees paid to Asset Manager under this Agreement for the recovery of any judgment or award against Asset Manager.

(b) Neither Owner, Asset Manager, nor any of their respective trustees, members, principals, beneficiaries, partners, officers, directors, shareholders or employees shall be personally liable for any amounts owed to any party under this Agreement.

[Signature Pages Follow.]

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first set forth hereinabove.

OWNER:

ALPHA LIFESTYLE PARTNERS, INC.,
a Delaware nonstock corporation

By: _____
Name: _____
Title: _____

ASSET MANAGER:

TRINITY SL ASSET MANAGER LLC,
a Texas limited liability company

By: Trinity Investors, LLC,
a Texas limited liability company,
its manager

By:_____
Daniel S. Meader, Manager

EXHIBIT A

Project	**Property Manager**
3053 Airport Pulling Road, Naples, Florida 34105 (The Fairways at Naples)	DR Management Services, LLC, a Delaware limited liability company
2321 East Venice Avenue, Venice, Florida 34292 (Liana of Venice)	DR Management Services, LLC, a Delaware limited liability company
1444 Andrew Drive, Covington, Louisiana 70433 (Sage Lake Senior Living)	Integral Senior Living Management, LLC, a Nevada limited liability company

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NOT-FOR-PROFIT MANAGEMENT AGREEMENT

This Not-For-Profit Management Agreement ("**Agreement**") is effective as of _____, 2025 ("**Effective Date**") by an among ALP Venice, LLC, a Delaware limited liability company ("**Venice Owner**"), ALP Naples, LLC, a Delaware limited liability company ("**Naples Owner**"), Alpha Lifestyle Partners, Inc., a Delaware nonstock corporation ("**Covington Owner**" and together with Venice Owner and Naples Owner, the "**Companies**" and each, individually, a "**Company**") and Alpha Lifestyle Partners, Inc., a Delaware nonstock corporation ("**NFP Manager**"). Any capitalized terms used herein and not otherwise defined shall have the meaning given such term in the Master Trust Indenture (as defined below).

A. The Companies, NFP Manager and certain other affiliated entities (collectively, the "Obligated Group"), and UMB Bank, N.A., as Master Trustee, have entered into that certain Master Trust Indenture dated as of [_____1], 2025 (the "**Master Trust Indenture**") for the purpose of providing for the issuance from time to time of obligations thereunder to provide for the financing of the acquisition, improvement and equipping of certain senior living facilities (each, a "**Facility**"), or for other lawful and proper corporate purposes.

B. The Companies desire to engage the services of NFP Manager to perform certain administrative services for the Companies, upon the terms and conditions hereinafter set forth and all under the direction and approval of the Companies.

C. NFP Manager wishes to provide such services to the Companies in accordance with the terms and conditions of this Agreement.

For and in consideration of the parties' mutual covenants and the terms hereof, Company and NFP Manager agree as follows:

1. SERVICES.

A. The Companies hereby retain NFP Manager to provide, and NFP Manager hereby agrees to provide, the certain administrative services listed on the attached Exhibit A (the "**Services**"). The Companies and NFP Manager acknowledge and agree that NFP Manager is an independent contractor under this Agreement and not an agent or employee of any of the Companies. NFP Manager will determine the necessary hours and method of providing the Services. Nothing in this Agreement shall prevent the NFP Manager from entering into agreements with others for the provision of other services so long as it does not conflict with NFP Manager's performance of Services to the Companies.

B. NFP Manager may subcontract any portion of the Services. NFP Manager will be responsible for all charges for services by any such subcontractors out of the Fee, defined below, and NFP Manager shall remain responsible for all Services performed and liable for any failure to perform or inadequate performance by any such contractors as if NFP Manager had performed the Services itself.

2. TERM. The term of this Agreement begins on the Effective Date and will continue until terminated as permitted herein.

3. WARRANTIES. NFP Manager warrants that (i) all Services will be performed in a timely and proficient manner; and (ii) all Services will be provided with the highest professional degree of care and skill. In the event of a breach of any of the foregoing warranties, NFP Manager shall supply Services to correct such defect at no cost to the Companies.

4. INDEMNIFICATION. NFP Manager hereby agrees to indemnify, defend and hold harmless the Companies against any and all liability, claims, suits, losses, costs and legal fees caused by, arising out of, or resulting from any negligence or willful misconduct of NFP Manager or its employees or subcontractors in their performance and/or failure to perform Services.

5. NFP MANAGER'S FEE.

A. In consideration of the performance of the Services, the Companies shall pay to NFP the following (collectively, the "**Fee**"):

i) from and after the Effective Date, the Companies shall pay to NFP Manager an aggregate annual fee of equal to (I) the number of assisted living units and memory care beds available at each Facility subject to the Master Trust Indenture, multiplied by (II) Three Hundred and 00/100 Dollars ($300.00), prorated for any partial year and prorated for any additional assisted living units and memory care beds that are added to the Facilities subject to the Master Trust Indenture (the "**Senior NFP Management Fee**"); and

ii) from and after the Effective Date, the Companies shall pay to NFP Manager an additional fee equal to twenty-five percent (25%) of the sum of (I) the product of (a) one and one-half percent (1.50%), multiplied by (b) the Gross Revenues received by Owner (or any affiliate thereof) from the Projects during the applicable fiscal year, less (II) the Senior NFP Management Fee (the "**Subordinate NFP Management Fee**"). The terms "Gross Revenues," "Owner," and "Projects" shall have the definitions assigned to them in the Asset Management Agreement dated the same date herewith between Alpha Lifestyle Partners, Inc. and Trinity SL Asset Manager LLC.

The Senior NFP Management Fee shall be payable from the Operating Account on a priority basis to the transfers to the Master Trustee pursuant to the Master Trust Indenture. The Subordinated NFP Management Fee shall be payable from funds on deposit in the Subordinated Management Fees Fund established pursuant to the Master Trust Indenture. The allocation of payment of the Fee among the Companies shall be as set forth in Exhibit B.

B. The Fee shall be payable to NFP Manager within thirty (30) days after the end of each calendar month. Upon termination of this Agreement, the parties will prorate the Fee on a daily basis to the effective date of such cancellation or termination.

C. Notwithstanding anything to the contrary contained in this Agreement, the Companies' obligation to pay NFP Manager all amounts at any time falling due hereunder prior to the expiration or termination of this Agreement shall expressly survive the expiration or earlier termination of this Agreement, regardless of whether or not any such termination is for cause.

6. DEFAULT AND TERMINATION.

A. It shall be an event of default ("**Event of Default**") hereunder if (i) any Company fails to pay any sum due under this Agreement when due, and such failure to pay continues for a period of ten (10) days after written notice of such failure to the defaulting Company from NFP Manager (the "**Payment Cure Period**"), or (ii) any party fails to perform any of its other material obligations under this Agreement, and such failure to perform under this Agreement continues for a period of thirty (30) days after written notice of such failure to the defaulting party from a non-defaulting party; provided that such thirty (30) day period shall be extended for an additional period not to exceed thirty (30) days, if the defaulting party has commenced the curing of such default within said initial thirty (30) day period and is diligently pursuing the completion of such cure (collectively, the "**Breach Cure Period**"). Notwithstanding the foregoing, in the event a Company fails to pay any sum due under this Agreement when due or fails to perform any of its other material obligations under this

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Agreement, any other Company may elect to make such payment or perform such obligation within the Payment Cure Period or Breach Cure Period, as applicable, on the defaulting Company's behalf. In such event, an Event of Default shall not have occurred.

B. Upon the occurrence of an Event of Default by the NFP Manager, one or more non-defaulting Companies may terminate this Agreement by giving written notice to the defaulting NFP Manager and pursue such other rights and remedies as may be available under applicable law. Upon the occurrence of an Event of Default by any Company, the NFP Manager may terminate this Agreement by giving written notice to the defaulting party and pursue such other rights and remedies as may be available under applicable law. Termination of this Agreement shall be effective as of the date of such written notice. Provided, however, in no event shall any party hereunder be liable for punitive, incidental, or consequential damages of any type. The parties shall have no other rights against each other under this Agreement except as provided herein.

C. This Agreement may be terminated by any party at any time for any reason (or no reason) upon sixty (60) days' prior written notice to the other parties; provided, however, that in the event any Company terminates this Agreement, such termination shall be effective only with respect to such Company, and the Agreement shall survive with respect to the remaining non-terminating Companies.

D. Upon termination of this Agreement for any reason, NFP Manager (i) shall deliver all information, reports, and any other applicable documents relating to the Services in its possession to the Companies, and (ii) the Companies shall have no further obligation to pay any further consideration or compensation to NFP Manager, except for amounts accruing hereunder prior to the termination date but unpaid as of such date of termination.

7. MISCELLANEOUS.

A. Confidentiality. All parties shall keep confidential all information obtained by such party in connection with this Agreement. A receiving party shall not disclose such confidential information to any person (other than its agents, representatives and legal counsel) unless specifically authorized in writing by the disclosing party or if disclosure is required by subpoena, court order, judicial decree, or law, or is otherwise required to enable the receiving party to perform its duties. This confidentiality obligation shall not be binding on the receiving party with respect to information in the public domain, information that is or was known to the receiving party prior to entering into this Agreement or information that enters the public domain through no fault of the receiving party. The terms and provisions of this Section shall expressly survive the expiration or termination of this Agreement.

B. Notice. All notices, demands, consents, approvals, reports and other communications provided for in this Agreement shall be in writing and shall be given to the Companies or NFP Manager at the address set forth below or at such other address as they may specify hereafter in writing:

If to any Company, to:
c/o Alpha Lifestyle Partners, Inc.
201 South Columbine Street, Unit 300
Denver, Colorado 80206
Attn: Cassidy Dines
Email: cassidy@alphalifestylepartners.org

If to NFP Manager, to:
Alpha Lifestyle Partners, Inc.
201 South Columbine Street, Unit 300
Denver, Colorado 80206
Attn: Cassidy Dines
Email: cassidy@alphalifestylepartners.org

Notice may be delivered by a recognized overnight delivery service providing a receipt, or other commercially reasonable electronic transmission, or mailed by United States registered or certified mail, return receipt requested, postage prepaid if deposited in a United States Post Office or depository for the receipt of mail regularly maintained by the post office. Notice will be considered effective on the earlier to occur of actual receipt, twenty-four (24) hours after depositing same with the overnight courier service, forty-eight (48) hours after depositing the same as provided above in the United States mail, or, in the case of electronic mail, when transmitted. The parties hereto shall have the right from time to time to change their respective addresses, and each shall have the right to specify as its address any other address within the United States of America by at least five (5) days written notice to the other party.

C. Binding Effect. This Agreement shall be binding upon the parties hereto and their respective successors and assigns.

D. Governing Law. This Agreement shall be construed in accordance with the laws of State of Texas.

E. Attorney's Fees. In the event that at any time during the term of this Agreement a Company or NFP Manager shall institute any action or proceeding against the other relating to the provisions of this Agreement, or any Event of Default hereunder, the prevailing party in such action or proceeding shall be entitled to recover its reasonable attorneys' fees, costs and expenses.

F. No Waiver. The failure of a party to seek redress for breach, or to insist upon the strict performance of any covenant, agreement, provision or condition of this Agreement shall not constitute a waiver thereof, and such party shall have all remedies provided herein and by applicable law with respect to any subsequent act which would have originally constituted a breach.

G. Amendments; Entire Agreements; Counterparts. This Agreement (a) may be modified or amended only by a writing signed by each of the parties hereto; (b) may be executed in several counterparts, and by the parties hereto in separate counterparts, and each counterpart, when executed and delivered, shall constitute an original agreement enforceable against all who signed it without production of or accounting for any other counterpart, and all separate counterparts shall constitute the same agreement, and (c) embodies the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes all prior conflicting or inconsistent agreements, consents and understandings relating to such subject matter.

H. Invalidity or Unenforceability. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision was omitted.

I. Time Limits. Time is of the essence in this Agreement. Accordingly, all time limits shall be strictly construed and rigidly enforced.

J. Estoppel Certificates. The Companies and NFP Manager agree, at any time and from time to time, as reasonably requested by any party upon not less than ten (10) days' prior written notice, to execute and deliver to the other parties a statement certifying that this Agreement is unmodified and in full force and effect (or if there have been modifications, that this Agreement is in full force and effect as modified and stating the modifications), certifying the dates on which required payments have been paid, and stating whether or not, to the best knowledge of the signer, the other party is in default in performance of any of its obligations under this Agreement, and if so, specifying each such default of which the signer may have knowledge, it being intended that any such statement delivered pursuant hereto may be relied upon by others with whom the party requesting such certificate may be dealing.

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K. Approval. Except as herein otherwise provided, whenever in this Agreement the approval of NFP Manager and/or Company is required, such approval shall not be unreasonably withheld or delayed.

L. Not a Third-Party Beneficiary Contract. Neither this Agreement nor any part thereof nor any service, relationship, or other matter alluded to herein shall inure to the benefit of any third-party (including, without limitation, any lenders, residents, or contractors), to any trustee in bankruptcy, to any assignee for the benefit of creditors, to any receiver by reason of insolvency, to any other fiduciary or office representing a bankruptcy or insolvent estate of either party, or to the creditors or claimants of such an estate.

[Signature Page Follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

NFP MANAGER:

ALPHA LIFESTYLE PARTNERS, INC.

By: _____
Name: _____
Title: _____

COMPANIES:

ALP VENICE, LLC

By: Alpha Lifestyle Partners Florida, Inc.,
Sole Member and Manager

By:_____
Name: _____
Title: _____

ALP NAPLES, LLC

By: Alpha Lifestyle Partners Florida, Inc.,
Sole Member and Manager

By:_____
Name: _____
Title: _____

ALPHA LIFESTYLE PARTNERS, INC.

By:_____
Name: _____
Title: _____

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EXHIBIT A

SCOPE OF SERVICES

Professional Administration and Governance Support of Company:

a. Respond to all inquires and correspondence directed to Company.
b. Maintain Company's financial books, and make all financial deposits and payments as necessary to maintain Company accounts in good standing.
c. Manage Company's business and resident relationships to establish and maintain goodwill and resolve potential concerns or issues.
d. Manage Company's vendor relationships to ensure effective service performance at appropriate cost.
e. Prepare and/or assist with the preparation of Company reports, including financial reports and Board reports
f. Take all necessary steps to maintain Company's tax-exempt status (either its own tax-exempt status or the tax-exempt status of its sole member)
g. Coordinate all reporting and other obligations to the members of the Obligated Group, including, without limitation, continuing disclosure obligations.

EXHIBIT B

FEE ALLOCATION

Senior NFP Management Fee

Payment of the Senior NFP Management Fee will be divided among the Companies so that each Company pays the portion of the Senior NFP Management Fee that is attributable to the assisted living units and memory care beds located at its Facility(ies).

Subordinated NFP Management Fee

Payment of the Subordinated NFP Management Fee shall be paid pursuant to the Master Trust Indenture and will be divided equally among the Company, such that each Company shall be responsible for 1/4 of the Subordinated NFP Management Fee.

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APPENDIX D

FORM OF OPINION OF BOND COUNSEL

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NIXON PEABODY

September __, 2025

Capital Trust Authority
Gulf Breeze, Florida

Re: Capital Trust Authority Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc. Project)

Capital Trust Authority Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc. Project)

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of $_____ aggregate principal amount of the Capital Trust Authority Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025A Bonds"), and $_____ aggregate principal amount of the Capital Trust Authority Senior Living Facilities Junior Lien Revenue Bonds, Series 2025B (Alpha Lifestyle Partners, Inc. Project) (the "Series 2025B Bonds" and, together with the Series 2025A Bonds, the "Series 2025 Bonds") by the Capital Trust Authority (the "Authority"), a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida (the "State") established for the purposes set forth under Section 163.01, Florida Statutes, Chapter 166, Part II, Florida Statutes, Chapter 617, Florida Statutes, and Chapter 159, Florida Statutes, each as amended, the Enabling Resolutions (as defined in the hereinafter defined Indenture); Ordinance Number 04-00, enacted by the City Council of the City of Gulf Breeze, Florida ("Gulf Breeze") on May 15, 2000, as amended and supplemented by Ordinance No. 05-01, and Ordinance No. 10-11, enacted by Gulf Breeze on May 7, 2001 and September 6, 2011, respectively; the City Charter of Gulf Breeze; the City Charter of the City of Quincy, Florida; the Interlocal Agreement (as defined in the hereinafter defined Indenture) with powers as a "local agency" under Chapter 159, Part II, Florida Statutes, and together with all of the home rule powers granted by the Constitution and laws of the State and all other applicable provisions of law (collectively, the "Act"). Unless otherwise defined herein, capitalized terms used herein shall have the respective meanings given to them in the Indenture (as such term is defined below).

The Series 2025 Bonds are issued under and pursuant to the Act and a Bond Indenture, dated as of September 1, 2025 (the "Indenture"), by and between the Authority and UMB Bank, N.A., as trustee (the "Trustee").

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The Series 2025 Bonds are being issued to finance a loan by the Authority to Alpha Lifestyle Partners, Inc. (the "Borrower"). The Authority and the Borrower have entered into a Loan Agreement, dated as of September 1, 2025 (the "Loan Agreement"), pursuant to which the Borrower is required to make payments sufficient to pay, when due, the principal, interest, and premium, if any, on the Series 2025 Bonds as well as Additional Payments (as defined in the Loan Agreement).

The proceeds from the sale of the Series 2025 Bonds loaned to the Borrower pursuant to the Loan Agreement will be used by the Borrower and other Members of the Obligated Group (as defined herein) to (i) acquire, improve and/or equip four existing senior living facilities, one of which is located in Arizona, two of which are located in Florida and one of which is located in Louisiana; (ii) fund debt service reserve funds for the Series 2025A Bonds; (iii) fund a deposit to the Operating Reserve Fund; (iv) fund capitalized interest for the Series 2025A Bonds; and (v) pay certain costs associated with the issuance of the Series 2025 Bonds.

The payment by the Borrower of amounts due under the Loan Agreement are secured by Obligations (as defined in the hereinafter defined Master Indenture) issued pursuant to the Master Trust Indenture, dated as of September 1, 2025 (as supplemented, the "Master Indenture"), among the Borrower, as the Obligated Group Representative and a Member of the Obligated Group (as defined in the Master Indenture), the other Members of the Obligated Group (as defined in the Master Indenture), and UMB Bank, N.A., as master trustee thereunder (the "Master Trustee"). The Borrower will cause to be issued pursuant to the Master Indenture (i) a Senior Lien Obligation (as defined in the Master Indenture) to secure its payment obligations under the Loan Agreement with respect to the Series 2025A Bonds, and (ii) a Junior Lien Obligation (as defined in the Master Indenture) to secure its payment obligations under the Loan Agreement with respect to the Series 2025B Bonds.

The Obligations will be secured by a pledge by the Obligated Group of the Pledged Assets (as defined in the Master Indenture), including all Gross Revenues of the Obligated Group, by mortgage liens on and security interests in the real property, improvements and equipment owned by the Obligated Group and the Residency Agreements (as defined in the Master Indenture). The Series 2025 Bonds are additionally secured by certain funds and accounts created under the Indenture.

The Internal Revenue Code of 1986 (the "Code") sets forth certain requirements which must be met subsequent to the issuance and delivery of the Series 2025 Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Series 2025 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Series 2025 Bonds. Pursuant to the Master Indenture, the Indenture, the Loan Agreement, the Tax Regulatory Agreement dated September __, 2025 (the "Tax Certificate"), by and among the Authority, the Borrower and each Member of the Obligated Group, the Authority, the Borrower and each

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Member of the Obligated Group have covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Series 2025 Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Authority, the Borrower and each Member of the Obligated Group have made certain representations and certifications respecting the Series 2025 Bonds in the Indenture, the Loan Agreement, the Tax Certificate and the Master Indenture. We are also relying on the opinion of Lewis Rice LLC as to all matters concerning the status of the Borrower and Alpha Lifestyle Partners Florida, Inc. as organizations described in Section 501(c)(3) of the Code and exempt from federal income tax under Section 501(a) of the Code, that no part of the Project financed with the Series 2025 Bonds is used in an unrelated trade or business of the Borrower and that each Member of the Obligated Group (other than the Borrower and Alpha Lifestyle Partners Florida, Inc.) is a disregarded entity for Federal income tax purposes. We have not independently verified the accuracy of those representations and certifications or that opinion.

In addition, as to questions of fact, we have relied upon the representations of the Authority, the Borrower and the other Members of the Obligated Group contained in the Master Indenture, the Indenture, and the Loan Agreement and in certificates delivered in in connection with the issuance of the Series 2025 Bonds, and have assumed the genuineness of all signatures, the legal capacity of all natural persons, the accuracy and completeness of all documents submitted to us, the authenticity of all original documents and the conformity to authentic original documents of all documents submitted to us as copies (including photocopies), without undertaking to verify the same by independent investigation.

We have reviewed the Act, the Indenture, the Loan Agreement, the Master Indenture, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Indenture and Loan Agreement constitute valid and binding obligations of the Authority enforceable against the Authority in accordance with their respective terms.

2. The Series 2025 Bonds are valid and binding limited obligations of the Authority, enforceable in accordance with their terms, and payable solely from the Trust Estate, the manner and to the extent provided in the Indenture.

3. Under existing law, assuming compliance with the tax covenants described herein and the accuracy of the aforementioned representations and certifications, interest on the Series 2025 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. We are also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum

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tax imposed under the Code. Interest on the Series 2025 Bonds will be taken into account in computing the alternative minimum tax imposed on certain corporations under the Code to the extent that such interest is included in the "adjusted financial statement income" of such corporations.

The opinions expressed in paragraphs 1 and 2 above are subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, and to the exercise of judicial discretion in appropriate cases. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, waiver of jury trial, choice of forum or waiver provisions contained in the Indenture or the Loan Agreement.

Except as stated in paragraph 3, we express no opinion as to any other federal, state or local tax consequences of the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2025 Bonds. Furthermore, we express no opinion as to any federal, state or local tax law consequences with respect to the Series 2025 Bonds, or the interest thereon, if any action is taken with respect to the Series 2025 Bonds or the proceeds thereof upon the advice or approval of other counsel.

We express no opinion as to the accuracy or sufficiency of any financial or other information which has been or will be supplied to purchasers of the Series 2025 Bonds.

This opinion letter is rendered solely with regard to the matters expressly opined on above and does not consider or extend to any documents, agreements, representations or other material of any kind not specifically opined on above. No other opinions are intended nor should they be inferred. This opinion letter is issued as of the date hereof, and we assume no obligation to update, revise or supplement this opinion letter to reflect any future actions, facts or circumstances that may hereafter come to our attention, or any changes in law, or in interpretations thereof, that may hereafter occur, or for any reason whatsoever.

Very truly yours,

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APPENDIX E

FORM OF THE CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "**Disclosure Agreement**"), dated as of September 1, 2025, is executed and delivered by Alpha Lifestyle Partners, Inc., a Delaware nonstock corporation (the "**Obligated Person**"), and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the "**Disclosure Dissemination Agent**" or "**DAC**") for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to assist the Obligated Person in processing certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "**Rule**").

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Obligated Person through use of the DAC system and do not constitute "advice" within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Act**"). DAC will not provide any advice or recommendation to the Issuer (hereinafter defined), the Obligated Person, or anyone on behalf of the Issuer or Obligated Person, regarding the "issuance of municipal securities" or any "municipal financial product" as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary. DAC is not a "Municipal Advisor" as such term is defined in Section 15B of the Securities Exchange Act of 1934, as amended, and related rules.

Section 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Limited Offering Memorandum (hereinafter defined). The capitalized terms shall have the following meanings:

"**Annual Filing Date**" means the date, set in **Sections 2(a)** and **2(f)** hereof, by which the Annual Report is to be filed with the MSRB.

"**Annual Financial Information**" means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in **Section 3(a)** of this Disclosure Agreement.

"**Annual Report**" means an Annual Report containing Annual Financial Information described in and consistent with **Section 3** of this Disclosure Agreement.

"**Audited Financial Statements**" means the annual consolidated financial statements of the Obligated Person, including each of the other Members of the Obligated Group, for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i)(B) of the Rule and specified in **Section 3(b)** of this Disclosure Agreement.

"**Bonds**" means the bonds as listed on the attached **Exhibit A**, with the 9-digit CUSIP numbers relating thereto.

"**Certification**" means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be (or voluntarily) submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Obligated Person and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

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"**Disclosure Representative**" means the President of the Obligated Person, or his or her designee, or such other person as the Obligated Person shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

"**Disclosure Dissemination Agent**" means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Obligated Person pursuant to **Section 9** hereof.

"**Failure to File Event**" means the Obligated Person's failure to file an Annual Report on or before the Annual Filing Date or a failure to file a Quarterly Report on or before the Quarterly Filing Date.

"**Financial obligation**" as used in this Disclosure Agreement is defined in the Rule as (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"**Force Majeure Event**" means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent's reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

"**Holder**" means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

"**Information**" means, collectively, the Annual Reports, the Quarterly Reports, the Audited Financial Statements, the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

"**Issuer**" means Capital Trust Authority, a legal entity created and a public agency duly organized and validly existing under the laws of the State of Florida, as issuer of the Bonds.

"**Limited Offering Memorandum**" means that Limited Offering Memorandum prepared by the Issuer and the Obligated Person in connection with the Bonds, as listed in **Exhibit A**.

"**Master Indenture**" means the Master Trust Indenture, dated as of September 1, 2025, among the Obligated Person, as Obligated Group Representative and as a Member of the Obligated Group, the other Members of the Obligated Group, and UMB Bank, N.A., as master trustee, as amended and supplemented in accordance with the terms thereof.

"**Member of the Obligated Group**" means each entity included as part of the Obligated Group at the time of any determination.

"**MSRB**" means the Municipal Securities Rulemaking Board, or any successor thereto, established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

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"**Notice Event**" means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in **Section 4(a)** of this Disclosure Agreement.

"**Obligated Group**" means the Obligated Group established pursuant to the Master Indenture, as such Obligated Group is constituted at any time under the terms of the Master Indenture.

"**Quarterly Report**" means a Quarterly Report described in and consistent with **Section 3Q** of this Disclosure Agreement.

"**Quarterly Filing Date**" means the date, set in **Section 2Q(a)**, by which the Quarterly Report is to be filed with the MSRB.

"**Trustee**" means the institution identified as such in the document under which the Bonds were issued.

"**Voluntary Event Disclosure**" means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of **Section 2** of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by **Section 7(a)** of this Disclosure Agreement.

"**Voluntary Financial Disclosure**" means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(10) of S**ection 2** of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by **Section 7(b)** of this Disclosure Agreement.

Section 2 Provision of Annual Reports.

(a) The Obligated Person shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for each of the Issuer and the Trustee, if any, not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than the last day of the sixth (6th) month following the end of each fiscal year of the Obligated Person, commencing with the fiscal year ending December 31, 2025. Such date and each anniversary thereof is the "**Annual Filing Date**." The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in **Section 3** of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail), with a copy to the Issuer, to remind the Obligated Person of its undertaking to provide the Annual Report pursuant to **Section 2(a)**. Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing, with a copy to the Issuer, that the Obligated Person will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as **Exhibit B**, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in **Exhibit C-1**.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 10:00 a.m. Eastern time on the Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday

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or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Obligated Person irrevocably directs the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as **Exhibit B** without reference to the anticipated filing date for the Annual Report, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in **Exhibit C-1**.

(d) If Audited Financial Statements of the Obligated Person are prepared but not available prior to the Annual Filing Date, the Obligated Person shall, when the Audited Financial Statements are available, provide at such time an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, together with a copy to each of the Issuer and the Trustee, if any, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

(i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

(ii) upon receipt, promptly file each Annual Report received under **Sections 2(a)** and **2(b)** hereof with the MSRB;

(iii) upon receipt, promptly file each Audited Financial Statement received under **Section 2(d)** hereof with the MSRB;

(iv) upon receipt, promptly file the text of each Notice Event received under **Sections 4(a)** and **4(b)(ii)** hereof with the MSRB, identifying the Notice Event as instructed by the Obligated Person pursuant to **Section 4(a)** or **4(b)(ii)** hereof (being any of the categories set forth below) when filing pursuant to **Section 4(c)** of this Disclosure Agreement:

1. "Principal and interest payment delinquencies;"

2. "Non-Payment related defaults, if material;"

3. "Unscheduled draws on debt service reserves reflecting financial difficulties;"

4. "Unscheduled draws on credit enhancements reflecting financial difficulties;"

5. "Substitution of credit or liquidity providers, or their failure to perform;"

6. "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"

7. "Modifications to rights of securities holders, if material;"

8. Bond calls, if material, and tender offers;

9. "Defeasances;"

10. "Release, substitution, or sale of property securing repayment of the securities, if material;"

11. "Rating changes;"

12. "Bankruptcy, insolvency, receivership or similar event of the obligated person;"

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13. "Merger, consolidation, or acquisition of the obligated person, if material;"

14. "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"

15. "Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material;" and

16. "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(v) upon receipt (or irrevocable direction pursuant to **Section 2(c)** of this Disclosure Agreement, as applicable), promptly file a completed copy of **Exhibit B** to this Disclosure Agreement with the MSRB, identifying the filing as "Failure to provide annual financial information as required" when filing pursuant to **Section 2(b)(ii)** or **Section 2(c)** of this Disclosure Agreement;

(vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under **Section 7(a)** hereof with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Obligated Person pursuant to **Section 7(a)** (being any of the categories set forth below) when filing pursuant to **Section 7(a)** of this Disclosure Agreement:

1. "amendment to continuing disclosure undertaking;"

2. "change in obligated person;"

3. "notice to investors pursuant to bond documents;"

4. "certain communications from the Internal Revenue Service;" other than those communications included in the Rule;

5. "secondary market purchases;"

6. "bid for auction rate or other securities;"

7. "capital or other financing plan;"

8. "litigation/enforcement action;"

9. "change of tender agent, remarketing agent, or other on-going party;"

10. "derivative or other similar transaction;" and

11. "other event-based disclosures;"

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(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under **Section 7(b)** hereof with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Obligated Person pursuant to **Section 7(b)** (being any of the categories set forth below) when filing pursuant to **Section 7(b)** of this Disclosure Agreement:

1. "quarterly/monthly financial information;"

2. "Timing of annual disclosure (120 days);"

3. "change in fiscal year/timing of annual disclosure;"

4. "change in accounting standard;"

5. "interim/additional financial information/operating data;"

6. "budget;"

7. "investment/debt/financial policy;"

8. "information provided to rating agency, credit/liquidity provider or other third party;"

9. "consultant reports;" and

10. "other financial/operating data."

(viii) upon receipt (or irrevocable direction pursuant to **Section 2Q(c)** of this Disclosure Agreement, as applicable), promptly file a completed copy of **Exhibit D** to this Disclosure Agreement with the MSRB, identifying the filing as "Failure to provide quarterly report as required" when filing pursuant to **Section 2(b)(ii)** or **Section 2(c)** of this Disclosure Agreement;

(ix) provide the Obligated Person and Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Obligated Person may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, Issuer, Trustee (if any) and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Anything in this Disclosure Agreement to the contrary notwithstanding, any Information received by the Disclosure Dissemination Agent before 10:00 a.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

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Section 2Q. Provision of Quarterly Reports.

(a) The Obligated Person shall provide, quarterly, an electronic copy of the Quarterly Report and Certification to the Disclosure Dissemination Agent, together with a copy to each of the Issuer and the Trustee, not later than the Quarterly Filing Date. Promptly upon receipt of an electronic copy of the Quarterly Report and the Certification, the Disclosure Dissemination Agent shall provide a Quarterly Report to the MSRB not later than the fifteenth (15th) day of the second month after the end of each quarter of the Obligated Person, commencing with the quarter ending December 31, 2025. Such date and each February 15, May 15, August 15 and November 15 thereafter is the Quarterly Filing Date. The Quarterly Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in **Section 3Q** of this Disclosure Agreement.

(b) If on the fifth (5th) day prior to the Quarterly Filing Date, the Disclosure Dissemination Agent has not received a copy of the Quarterly Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail), with a copy to the Issuer, to remind the Obligated Person of its undertaking to provide the Quarterly Report pursuant to **Section 2Q(a)**. Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Quarterly Report and the Certification no later than two (2) business days prior to the Quarterly Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing, with a copy to the Issuer, that the Obligated Person will not be able to file the Quarterly Report within the time required under this Disclosure Agreement, state the date by which the Quarterly Report for such quarter will be provided and instruct the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as **Exhibit B**, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in **Exhibit C-1**.

(c) If the Disclosure Dissemination Agent has not received a Quarterly Report and Certification by 10:00 a.m. Eastern time on the Quarterly Filing Date (or, if such Quarterly Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Quarterly Report, a Failure to File Event shall have occurred and the Obligated Person irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as **Exhibit D** without reference to the anticipated filing date for the Quarterly Report, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in **Exhibit C-1**.

Section 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Obligated Person, as follows:

(i) Audited Financial Statements;

(ii) a certificate of the Obligated Person certifying the compliance of the Obligated Group with the Debt Service Coverage Ratio and Days Cash on Hand covenants set forth in the Master Indenture as of the end of the applicable fiscal year; and

(iii) the information provided in Appendix A to the Limited Offering Memorandum under the following caption:

(A) "HISTORICAL OCCUPANCY INFORMATION FOR THE COMMUNITIES" (the Unit Mix / Total and Licensed Capacity table only);

(B) "HISTORICAL OCCUPANCY INFORMATION FOR THE COMMUNITIES" (the Average Annual Occupancy table only for the applicable fiscal year);

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(C) "HISTORICAL OCCUPANCY INFORMATION FOR THE COMMUNITIES" (the Historical Portfolio Occupancy By Quarter table only for the applicable fiscal year); and

(D) the Historical Financial tables for the applicable fiscal year only (and not including any interim or stub period financial or operating information) under each of the following headings under the caption "HISTORICAL OPERATING INFORMATION FOR THE COMMUNITIES":

(1) "Fairways at Naples Historical Net Operating Income Statements";
(2) "Liana of Venice Historical Net Operating Income Statements"; and
(3) "Sage Lake Senior Living Historical Net Operating Income Statements".

(b) As set forth in subsection (a), Audited Financial Statements will be included in the Annual Report. Any of the additional information required to be included in the Annual Report under subsection (a) may be included in schedules or supplemental information to the Audited Financial Statements. If audited financial statements are not available, then, unaudited financial statements, prepared in accordance with generally accepted accounting principles will be included in the Annual Report. In such event, Audited Financial Statements (if any) will be provided pursuant to **Section 2(d)**.

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Obligated Person is an "obligated person" (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available on the MSRB Internet Website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Obligated Person will clearly identify each such document so incorporated by reference.

If the Annual Financial Information contains modified operating data or financial information different from the Annual Financial Information agreed to in this Disclosure Agreement, the Obligated Person is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The Obligated Person will reserve the right to modify from time to time the specific type of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Obligated Person; provided that the Obligated Person will agree that any such modification will be done in a manner consistent with the Rule.

Section 3Q. Content of Quarterly Reports.

(a) Each Quarterly Report shall contain the following information:

(i) "HISTORICAL OCCUPANCY INFORMATION FOR THE COMMUNITIES" (only the Average Annual Occupancy table for the year to date as of the end of the applicable quarter);

(ii) "HISTORICAL OCCUPANCY INFORMATION FOR THE COMMUNITIES" (the Historical Portfolio Occupancy By Quarter table only for each of the quarters in the current fiscal year through the end of the applicable quarter); and

(iii) the Historical Financial tables as of the end of the applicable quarter of the fiscal year and for the period then ended), and including comparable information for the same period in the

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previous fiscal year, under each of the following headings under the caption "HISTORICAL OPERATING INFORMATION FOR THE COMMUNITIES":

(1) "Fairways at Naples Historical Net Operating Income Statements";
(2) "Liana of Venice Historical Net Operating Income Statements"; and
(3) "Sage Lake Senior Living Historical Net Operating Income Statements".

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Obligated Person is an "obligated person" (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available on the MSRB Internet Website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Obligated Person will clearly identify each such document so incorporated by reference.

(b) If the quarterly report contains modified operating data or financial information different from the quarterly information agreed to in this Disclosure Agreement, the Obligated Person is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data being provided.

Section 4. Reporting of Notice Events.

(a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

7. Modifications to rights of Bond holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the Bonds, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

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Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this **Section 4**, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

15. Incurrence of a financial obligation of an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of an Obligated Person, any of which affect security holders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of an Obligated Person, any of which reflect financial difficulties.

The Obligated Person shall, in a timely manner not later than nine (9) business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in **Section 2(e)(iv)** of this Disclosure Agreement), include the text of the disclosure that the Obligated Person desires to make, contain the written authorization of the Obligated Person for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Obligated Person desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer, Obligated Person or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the Obligated Person determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that either (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this **Section 4**, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in **Section 2(e)(iv)** of this Disclosure Agreement), include the text of the disclosure that the Obligated Person desires to make, contain the written authorization of the Obligated Person for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Obligated Person desires for the Disclosure Dissemination Agent to

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disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Obligated Person as prescribed in subsection (a) or (b)(ii) of this **Section 4** to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with MSRB in accordance with **Section 2(e)(iv)** hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in **Exhibit C-1**.

Section 5. CUSIP Numbers. The Obligated Person will provide the Disclosure Dissemination Agent with the CUSIP numbers for (i) new bonds at such time as they are issued or become subject to the Rule and (ii) any Bonds to which new CUSIP numbers are assigned in substitution for the CUSIP numbers previously assigned to such Bonds.

Section 6. Additional Disclosure Obligations. The Obligated Person acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Obligated Person, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The Obligated Person acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

Section 7. Voluntary Filing.

(a) The Obligated Person may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in **Section 2(e)(vi)** of this Disclosure Agreement), include the text of the disclosure that the Obligated Person desires to make, contain the written authorization of the Obligated Person for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Obligated Person desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Obligated Person as prescribed in this **Section 7(a)** to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with **Section 2(e)(vi)** hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in **Exhibit C-2**.

(b) The Obligated Person may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in **Section 2(e)(vii)** of this Disclosure Agreement), include the text of the disclosure that the Obligated Person desires to make, contain the written authorization of the Obligated Person for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Obligated Person desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Obligated Person as prescribed in this **Section 7(b)** hereof to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with **Section 2(e)(vii)** hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in **Exhibit C-2**.

(c) The parties hereto acknowledge that the Obligated Person is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to **Section 7(a)** hereof or any Voluntary Financial Disclosure pursuant to **Section 7(b)** hereof.

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(d) Nothing in this Disclosure Agreement shall be deemed to prevent the Obligated Person from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the Obligated Person chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the Obligated Person shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

(e) Notwithstanding any other provision of this Disclosure Agreement to the contrary, the Obligated Person has agreed to instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure pursuant to **Section 7(a)** hereof for each of the following:

(i) notice of the receipt of a property tax exemption relating to a Community;

(ii) notice of the purchase or disposition of any entity or any senior living community by a Member of the Obligated Group, whether such entity or senior living community will be a part of the Obligated Group or not; and

(iii) subject to industry standards relating to the financing of facilities similar to the Communities, the Obligated Person shall provide notice of a semi-annual telephone conference call to be held with the holders of the Bonds, the Bond Trustee and the Master Trustee to discuss the financial results of the preceding semi-annual period and such other matters as are relevant or are reasonably requested by the holders of the Bonds, the Bond Trustee and the Master Trustee, with such semi-annual calls to be scheduled and held within 30 days of the filing with the MSRB of the Annual Report and filing of with the MSRB of the Quarterly Report for the second quarter in each fiscal year and notice of such call to be provided at least two weeks prior to the scheduled call.

Section 8. Termination of Reporting Obligation. The obligations of the Obligated Person and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Obligated Person is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of counsel expert in federal securities laws to the effect that continuing disclosure is no longer required.

Section 9. Disclosure Dissemination Agent. The Obligated Person has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Obligated Person may, upon thirty days written notice to the Disclosure Dissemination Agent and the Trustee, if any, replace or appoint a successor to the Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Obligated Person or DAC, the Obligated Person agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Obligated Person shall remain liable to the Disclosure Dissemination Agent until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer and the Obligated Person.

Section 10. Remedies in Event of Default. In the event of a failure of the Obligated Person or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders'

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rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

Section 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Obligated Person has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information, or any other information, disclosures or notices provided to it by the Obligated Person and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Obligated Person, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Obligated Person's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine or liability for failing to determine whether the Obligated Person has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon Certifications of the Obligated Person at all times.

THE OBLIGATED PERSON AGREES TO INDEMNIFY AND SAVE THE DISCLOSURE DISSEMINATION AGENT AND ITS RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, HARMLESS AGAINST ANY LOSS, EXPENSE AND LIABILITIES WHICH THEY MAY INCUR ARISING OUT OF OR IN THE EXERCISE OR PERFORMANCE OF THEIR POWERS AND DUTIES HEREUNDER, INCLUDING THE COSTS AND EXPENSES (INCLUDING ATTORNEYS FEES) OF DEFENDING AGAINST ANY CLAIM OF LIABILITY, BUT EXCLUDING LIABILITIES DUE TO THE DISCLOSURE DISSEMINATION AGENT'S NEGLIGENCE OR WILLFUL MISCONDUCT.

The obligations of the Obligated Person under this **Section 11** shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Obligated Person.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

Section 12. No Issuer Responsibility. The Obligated Person and the Disclosure Dissemination Agent acknowledge that the Issuer has undertaken no responsibility, and shall not be required to undertake any responsibility, with respect to any reports, notices or disclosures required by or provided pursuant to this Disclosure Agreement, and shall have no liability to any person, including any Holder of the Bonds, with respect to any such reports, notices or disclosures.

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Section 13. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Obligated Person and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Obligated Person and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Obligated Person nor the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the Issuer and the Obligated Person. No such amendment shall become effective if the Obligated Person shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

Section 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Obligated Person, the Issuer, the Trustee (if any), the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 15. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida (other than with respect to conflicts of laws).

Section 16. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(*Remainder of this page intentionally left blank*)

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The Disclosure Dissemination Agent and the Obligated Person have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Disclosure Dissemination Agent

By:_____
Name:_____
Title:_____

ALPHA LIFESTYLE PARTNERS, INC., as Obligated Person

By:_____
Name: Cassidy Dines
Title: President

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EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer:	**Capital Trust Authority**
Obligated Person:	**Alpha Lifestyle Partners, Inc.**
Name of Bond Issue:	**Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc.)**
Date of Issuance:	**September ___, 2025**
Date of Limited Offering Memorandum:	**September ___, 2025**

CUSIP Number:_____	CUSIP Number:_____
CUSIP Number:_____	CUSIP Number:_____
CUSIP Number:_____	CUSIP Number:_____
CUSIP Number:_____	CUSIP Number:_____
CUSIP Number:_____	CUSIP Number:_____
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CUSIP Number:_____	CUSIP Number:_____
CUSIP Number:_____	CUSIP Number:_____

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EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Issuer:	**Capital Trust Authority**
Obligated Person:	**Alpha Lifestyle Partners, Inc.**
Names of Bond Issues:	**Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc.)**
Date of Issuance:	**September ___, 2025**
Date of Disclosure Agreement:	**September 1, 2025**
CUSIP Numbers:	_____

NOTICE IS HEREBY GIVEN that the Obligated Person has not provided an Annual Report with respect to the above-named Bonds as required by the Disclosure Agreement between the Obligated Person and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. [The Obligated Person has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by _____].

Dated: _____

Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent, on behalf of the Obligated Person

_____

cc: Capital Trust Authority (c/o Executive Director)
Alpha Lifestyle Partners, Inc. (c/o President)

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EXHIBIT C-1

EVENT NOTICE COVER SHEET

This cover sheet and accompanying "event notice" may be sent to the MSRB pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and Obligated Person's Names: **Capital Trust Authority** and **Alpha Lifestyle Partners, Inc.**

Issuer's Six-Digit CUSIP Number:

Issuer's Nine-Digit CUSIP Number(s) of the bonds to which this material event notice relates:

Number of pages of attached: _____

___ Description of Notice Event (Check One):

1. ___ "Principal and interest payment delinquencies;"
2. ___ "Non-Payment related defaults, if material;"
3. ___ "Unscheduled draws on debt service reserves reflecting financial difficulties;"
4. ___ "Unscheduled draws on credit enhancements reflecting financial difficulties;"
5. ___ "Substitution of credit or liquidity providers, or their failure to perform;"
6. ___ "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"
7. ___ "Modifications to rights of securities holders, if material;"
8. ___ "Bond calls, if material;" Tender offers;
9. ___ "Defeasances;"
10. ___ "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. ___ "Rating changes;"
12. ___ "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
13. ___ "Merger, consolidation, or acquisition of the obligated person, if material;" and
14. ___ "Appointment of a successor or additional trustee, or the change of name of a trustee, if material."
15. ___ "Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material;" and
16. ___ "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties."

___ Failure to provide annual financial information as required

___ Failure to provide quarterly report as required

I hereby represent that I am authorized by the Obligated Person or its agent to distribute this information publicly:

Signature:

Name:_____ Title:_____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street Suite 300
Orlando, FL 32801
407-515-1100

Date:_____

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EXHIBIT C-2

VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary event disclosure" may be sent to the MSRB, pursuant to the Continuing Disclosure Agreement dated as of September 1, 2025 between the Obligated Person and DAC.

Issuer's and Obligated Person's Names: **Capital Trust Authority** and **Alpha Lifestyle Partners, Inc.**

Issuer's Six-Digit CUSIP Number:

_____

Issuer's Nine-Digit CUSIP Number(s) of the bonds to which this material event notice relates:

_____

Number of pages of attached: _____

___ Description of Voluntary Event Disclosure (Check One):

1. ___ "amendment to continuing disclosure undertaking;"
2. ___ "change in obligated person;"
3. ___ "notice to investors pursuant to bond documents;"
4. ___ "certain communications from the Internal Revenue Service;"
5. ___ "secondary market purchases;"
6. ___ "bid for auction rate or other securities;"
7. ___ "capital or other financing plan;"
8. ___ "litigation/enforcement action;"
9. ___ "change of tender agent, remarketing agent, or other on-going party;"
10. ___ "derivative or other similar transaction;" and
11. ___ "other event-based disclosures."

I hereby represent that I am authorized by the Obligated Person or its agent to distribute this information publicly:

Signature:

_____

Name:_____ Title:_____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street Suite 300
Orlando, FL 32801
407-515-1100

Date:_____

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EXHIBIT C-3

VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary financial disclosure" may be sent to the MSRB, pursuant to the Continuing Disclosure Agreement dated as of September 1, 2025 between the Obligated Person and DAC.

Issuer's and Obligated Person's Names: **Capital Trust Authority** and **Alpha Lifestyle Partners, Inc.**

Issuer's Six-Digit CUSIP Number:

_____

Issuer's Nine-Digit CUSIP Number(s) of the bonds to which this material event notice relates:

_____

Number of pages of attached: _____

___ Description of Voluntary Financial Disclosure (Check One):

1. ___ "quarterly/monthly financial information;"
2. ___ "change in fiscal year/timing of annual disclosure;"
3. ___ "change in accounting standard;"
4. ___ "interim/additional financial information/operating data;"
5. ___ "budget;"
6. ___ "investment/debt/financial policy;"
7. ___ "information provided to rating agency, credit/liquidity provider or other third party;"
8. ___ "consultant reports;" and
9. ___ "other financial/operating data."

I hereby represent that I am authorized by the Obligated Person or its agent to distribute this information publicly:

Signature:

_____

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street Suite 300
Orlando, FL 32801
407-515-1100

Date: _____

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EXHIBIT D

NOTICE TO MSRB OF FAILURE TO FILE QUARTERLY REPORT

Issuer:	**Capital Trust Authority**
Obligated Person:	**Alpha Lifestyle Partners, Inc.**
Names of Bond Issues:	**Senior Living Facilities Senior Lien Revenue Bonds, Series 2025A (Alpha Lifestyle Partners, Inc.)**
Date of Issuance:	**September ___, 2025**
Date of Disclosure Agreement:	**September 1, 2025**
CUSIP Numbers:	_____

NOTICE IS HEREBY GIVEN that the Obligated Person has not provided a Quarterly Report with respect to the above-named Bonds as required by the Disclosure Agreement between the Obligated Person and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. [The Obligated Person has notified the Disclosure Dissemination Agent that it anticipates that the Quarterly Report will be filed by _____].

Dated: _____

Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent, on behalf of the Obligated Person

_____

cc: Capital Trust Authority (c/o Executive Director)
Alpha Lifestyle Partners, Inc. (c/o President)

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APPENDIX F

BOOK-ENTRY ONLY SYSTEM

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APPENDIX F

BOOK-ENTRY ONLY SYSTEM

*The information in this **Appendix F** concerning The Depository Trust Company ("**DTC**") and DTC's book- entry system has been obtained from DTC and none of the Issuer, the Underwriter, the Bond Trustee, or the Borrower makes any representation or warranty or takes any responsibility for the accuracy or completeness of such information.*

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of each series of the Bonds and deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.7 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument from over 100 countries that DTC's participants (the "Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions, in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in tum, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (the "Beneficial Owner") is in tum to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for

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their benefit has agreed to obtain and transmit notices to Beneficial Owners, in the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of a maturity of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Issuer or the Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds are required to be printed and delivered.

The Issuer may, pursuant to the procedures of DTC, decide to discontinue use of the system of book-entry- only transfers through DTC (or a successor securities depository). In that event, the Bonds will be printed and delivered to DTC.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE HOLDER OF THE BONDS OR REGISTERED OWNERS OF THE BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS.

The Issuer and the Bond Trustee can make no assurances that DTC will distribute payments of principal of, redemption premium, if any, or interest on the Bonds to the Direct Participants, or that Direct and Indirect Participants will distribute payments of principal of, redemption premium, if any, or interest on the Bonds or redemption notices to the Beneficial Owners of Bonds or that they will do so on a timely basis, or that DTC or any of its Participants will act in a manner described in this Limited Offering Memorandum. The Issuer and the Bond Trustee are not responsible or liable for the failure of DTC to make any payment to any Direct Participant or failure of any Direct or Indirect Participant to give any notice or make any payment to a Beneficial Owner in respect to the Bonds or any error or delay relating thereto.

The rights of holders of beneficial interests in the Bonds and the manner of transferring or pledging those interests is subject to applicable state law. Holders of beneficial interests in the Bonds may want to discuss the manner of transferring or pledging their interest in the Bonds with their legal advisors. The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, the Bond certificates will be printed and delivered. Thereafter, the Bond certificates may be transferred and exchanged as described in the Bond Indenture. See "**APPENDIX C-1- FORM OF THE BOND INDENTURE**" in this Limited Offering Memorandum.

For every transfer of ownership interests in the Bonds, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

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APPENDIX G

FORM OF INVESTOR LETTER

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APPENDIX G

FORM OF INVESTOR LETTER

relating to

$_____
Capital Trust Authority
Senior Living Facilities
Senior Lien Revenue Bonds, Series 2025A
(Alpha Lifestyle Partners, Inc. Project)
(the "Series 2025A Bonds")

_____, 2025

Capital Trust Authority
315 Fairpoint Drive
Gulf Breeze, Florida 32561

Alpha Lifestyle Partners, Inc.
201 South Columbine Street, Unit 300
Denver, Colorado 80206

Stifel, Nicolaus & Company, Incorporated
One Financial Plaza
501 North Broadway
St. Louis, Missouri 63102

Ladies and Gentlemen:

Reference is made to the Bond Indenture, dated as of September 1, 2025 (the "**Indenture**"), by and between the Capital Trust Authority (the "**Issuer**") and UMB Bank, N.A., a national banking association organized under the laws of the United States of America, as trustee (the "**Trustee**"), and a Loan Agreement, dated as of September 1, 2025 (the "**Loan Agreement**"), by and between the Issuer and Alpha Lifestyle Partners, Inc., a Delaware nonstock corporation (the "**Borrower**"). Capitalized terms not otherwise defined herein shall have the same meanings given to them in the Indenture.

The undersigned [(the "**Investor**")][*-or-*, as investment advisor to the accounts(s) managed by it and listed on the signature page below (each, an "**Investor**")] has agreed to purchase $_____ aggregate principal amount of the Series 2025A Bonds (such bonds being purchased are referred to herein as the "**Bonds**"), which are being issued and delivered on the date of this letter (this "**Letter**").

The undersigned is duly and legally authorized to execute and deliver this Letter and hereby represents and certifies as follows:

[**1.** The Investor has authority to purchase the Bonds and to execute this Letter and any other instruments and documents required to be executed by the Investor in connection with the Investor's purchase of the Bonds.]

[**1.** The undersigned is a duly appointed, qualified and acting representative of the Investor and is authorized to cause the Investor to make the certifications, representations and warranties contained herein by execution of this Letter on behalf of the Investor.]

2. The Investor is either (a) a "qualified institutional buyer" as defined under Rule 144A promulgated by the Securities and Exchange Commission pursuant to the Securities Act of 1933 (the "**Securities Act**"); or (b) an accredited investor (as defined in Rule 501(a) of Regulation D under the 1933 Act, as amended) ("**Accredited Investor**").

3. The undersigned acknowledges:

(a) the Investor is purchasing the Bonds for investment, with no present intention of reselling the Bonds. Notwithstanding such present intention, the Investor is not prohibited from reselling the Bonds in the

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future; provided, however, that the Investor acknowledges and agrees that (i) unless and until: (1) the Trustee and the Issuer have received an Investment Grade Notice, and (2) the Trustee has received the written authorization and direction of the Issuer to remove the transfer restrictions described in this paragraph and (ii) unless any transfer is during an Investment Grade Period, the beneficial ownership of the Bonds may be resold or transferred only to either (a) a "qualified institutional buyer" as defined under Rule 144A promulgated by the Securities Act; or (b) an Accredited Investor; and only in Authorized Denominations. "Authorized Denominations" means $100,000 and any integral multiple of $5,000 in excess thereof, except that a Bond held by an Owner that has become held in a denomination of less than $100,000 as a result of a partial redemption of such Bond may be transferred or exchanged by such Owner or subsequent Owner but only to transferees permitted under the Bond Indenture, unless and until (a) the Trustee and the Issuer have received an Investment Grade Notice, and (b) the Bond Trustee has received the authorization and direction of the Issuer to remove such transfer restrictions. The Investor further acknowledges that any transfer of its interest in any Bonds shall be made only in compliance with the requirements of any applicable securities laws, state and federal. A transfer in violation of these requirements shall be null and void; and

(b) to the extent the undersigned is purchasing the Bonds not on its own behalf but in its capacity as investment adviser to beneficial owners of separately managed accounts, such accounts will solely be for investors that meet the qualifications as set forth in the Indenture and as described in paragraph 2 above. The Investor understands that the Stifel, Nicolaus & Company, Incorporated (the "**Underwriter**") will not facilitate the establishment of such accounts and that the Bonds will be issued only in Authorized Denominations, and confirms that it will not facilitate the deposit of Bonds into accounts in violation of such limitations.

4. The Investor acknowledges and agrees that the Underwriter and the Issuer take no responsibility for, and make no representation to the Investor, or to any subsequent purchaser, with regard to a sale, transfer or other disposition of the Bonds in violation of the provisions of the Indenture, or any securities law or income tax law consequences thereof. The Investor also acknowledges that, with respect to the Issuer's obligations and liabilities, the Investor is solely responsible for compliance with the sales restrictions on the Bonds in connection with any subsequent transfer of Bonds made by the Investor.

5. The Investor acknowledges and accepts the following:

PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS IS A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER, PAYABLE SOLELY OUT OF THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE CITY OF GULF BREEZE, FLORIDA AND THE CITY OF QUINCY, FLORIDA (COLLECTIVELY, THE "SPONSORING POLITICAL SUBDIVISIONS"), THE STATE OF FLORIDA, OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER, THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OF FLORIDA OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE SPONSORING POLITICAL SUBDIVISIONS, THE STATE OF FLORIDA, OR ANY OTHER MUNICIPALITY, PUBLIC AGENCY OR POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. NO COVENANT OR AGREEMENT CONTAINED IN THE BONDS OR THE INDENTURE SHALL BE DEEMED TO BE A COVENANT OR AGREEMENT OF ANY MEMBER OF THE GOVERNING BODY OF THE ISSUER NOR SHALL ANY OFFICIAL EXECUTING THE BONDS BE LIABLE PERSONALLY ON THE BONDS OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE BONDS. THE ISSUER HAS NO TAXING POWER.

NO RECOURSE UNDER OR UPON ANY OBLIGATION, COVENANT OR AGREEMENT CONTAINED IN THE BOND DOCUMENTS, OR UNDER ANY

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JUDGMENT OBTAINED AGAINST THE ISSUER, OR THE ENFORCEMENT OF ANY ASSESSMENT, OR ANY LEGAL OR EQUITABLE PROCEEDINGS BY VIRTUE OF ANY CONSTITUTION OR STATUTE OR OTHERWISE, OR UNDER ANY CIRCUMSTANCES UNDER OR INDEPENDENT OF THE INDENTURE, OR ANY CLAIM BASED THEREON OR OTHERWISE IN RESPECT THEREOF SHALL BE HAD AGAINST THE SPONSORING POLITICAL SUBDIVISIONS, OR THE ISSUER OR ANY INCORPORATOR, MEMBER, DIRECTOR, OFFICER, EMPLOYEE, AGENT OR COUNSEL AS SUCH, PAST, PRESENT OR FUTURE OF THE ISSUER, OR THE SPONSORING POLITICAL SUBDIVISIONS, EITHER DIRECTLY OR THROUGH THE ISSUER, THE TRUSTEE OR OTHERWISE, FOR THE PAYMENT FOR OR TO THE ISSUER OR ANY RECEIVER THEREOF, OR FOR OR TO THE BENEFICIAL OWNER OF ANY BOND ISSUED UNDER THE INDENTURE, OR OTHERWISE, OF ANY SUM THAT MAY BE DUE AND UNPAID BY THE ISSUER UPON ANY SUCH BOND. ANY AND ALL PERSONAL LIABILITY OF EVERY NATURE WHETHER AT COMMON LAW OR IN EQUITY OR BY STATUTE OR BY CONSTITUTION OR OTHERWISE OF ANY SUCH INCORPORATOR, MEMBER, DIRECTOR, OFFICER, EMPLOYEE, AGENT OR COUNSEL, AS SUCH, TO RESPOND BY REASON OF ANY ACT OR OMISSION ON HIS PART OR OTHERWISE, FOR THE PAYMENT FOR OR TO THE BENEFICIAL OWNER OF ANY BOND ISSUED UNDER THE INDENTURE OR OTHERWISE OF ANY SUM THAT MAY REMAIN DUE AND UNPAID UPON THE BOND THEREBY SECURED OR ANY OF THEM IS, BY THE ACCEPTANCE HEREOF, EXPRESSLY WAIVED AND RELEASED AS A CONDITION OF AND IN CONSIDERATION FOR THE EXECUTION OF THE INDENTURE AND THE ISSUANCE OF THE BONDS.

6. The Investor has received and reviewed the Preliminary Limited Offering Memorandum, dated August ___, 2025 (the "**PLOM**") and the Limited Offering Memorandum, dated _____, 2025 (the "**LOM**"), including the information relating to: (i) the sources of repayment of the Bonds; (ii) the Projects (including their respective financial and operating data and the real property related thereto that will be subject to the Mortgages); (iii) the Borrower and the other Members of the Obligated Group (including their acquisition of the Projects in connection with the issuance of the Bonds); and (iv) such other material matters relating to the Bonds, the Borrower and the other members of the Obligated Group and such other information as the Investor deemed relevant in making an investment decision with respect to its purchase of the Bonds. Neither the Issuer nor the Underwriter has made any representations to the Investor or its representatives including the undersigned other than as set forth in the PLOM and LOM, as amended to the date of this Letter. The Investor acknowledges and accepts that it had the opportunity to ask questions of, and request additional information from, the Borrower regarding the information provided to it and any other matters that the Investor considered to be relevant to the Investor's decision to purchase the Bonds.

7. The Investor acknowledges and accepts that it has reviewed and has made its decision to invest in the Bonds based solely on its review of the information provided by the parties that supplied such information, such information including, but not limited to, the PLOM, LOM and investor presentation materials of the Borrower dated August ___, 2025.

8. The Investor represents that it can bear the economic risk associated with its purchase of the Bonds and it has such knowledge and experience in business and financial matters, including the analysis of a participation in the purchase of similar investments, so as to be capable of evaluating the merits and risks of an investment in the Bonds on the basis of the information and review described herein.

9. The Investor acknowledges that the Bonds have not been registered with the Securities and Exchange Commission (in reliance upon an exemption from the Securities Act), have not been registered under the "blue sky" laws of any State, and will not be listed on any stock or securities exchange. The Investor further acknowledges that the Loan Agreement and the Indenture have not been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon exemptions contained in such act.

10. The Investor acknowledges and accepts that except for information in the PLOM and LOM concerning the Issuer contained under the captions "THE ISSUER" and "LITIGATION – The Issuer," the Issuer neither has nor will assume any responsibility as to the accuracy or completeness of information in the PLOM or the LOM.

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11. The Investor is duly and legally authorized to purchase the Bonds.

12. The interpretation of the provisions hereof shall be governed and construed in accordance with State of Florida law without regard to principles of conflicts of laws.

This Letter and the statements contained herein are made for the benefit of the addressees hereto.

IN WITNESS WHEREOF, the undersigned has executed this Letter effective as of the day and year first written above.

Very truly yours,

[**INVESTOR NAME**

By:_____
Name:_____
Title:_____
]

[-***OR***-

INVESTMENT ADVISOR NAME

By:_____
Name:_____
Title:_____

Certification:

The representative of the Investment Advisor hereby certifies that the entities named below are the Investors in the Bonds:

Name	Allocation
[_____]	$_____
[_____]	$_____
Total:	$_____

]

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CAPITAL TRUST AUTHORITY

SENIOR LIVING FACILITIES SENIOR LIEN REVENUE BONDS, SERIES 2025A (ALPHA LIFESTYLE PARTNERS, INC. PROJECT)

Alpha Lifestyle
PARTNERS

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