

Edison Associates LLC
10 Brunswick Avenue
Edison, New Jersey 08817

APPLICATION SUMMARY FOR PUBLICATION

Date application filed: April 11, 2024

Current Name of facility: Embassy Manor at Edison Nursing and Rehabilitation Center

License number: 061205

Address: 10 Brunswick Avenue
Edison, New Jersey 08817

County: Middlesex County

Project Description: This project involves a Transfer of Ownership of the operations Embassy Manor at Edison Nursing and Rehabilitation Center from Edison Healthcare LLC to Edison Associates LLC. The new owner will operate the facility through a lease agreement.

Licensed capacity: 280 long term care beds

Current Licensed Owner: Edison Healthcare LLC

Proposed Licensed Owner: Edison Associates LLC

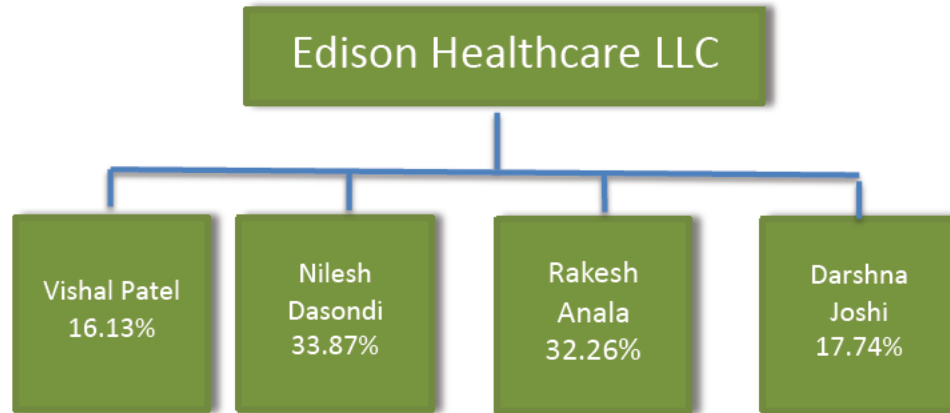
Proposed Name of Facility: **Aristacare at Edison**

Proposed Management Company: None

Owner of Real Estate: Edison Healthcare Holdings LLC

All medical records, both active and inactive, will continue to be stored securely at the facility at 10 Brunswick Avenue in Edison. The contact person will be Yomaly Micu, Business Office Manager at telephone number 732-985-1500 or by email at ymicu@aristacare.com

Pre-Closing Ownership
Edison Healthcare LLC LLC



Post-Closing Ownership
Edison Associates LLC

Sidney Greenberger
245 Birchwood Ave.
Cranford, NJ 07016
30.5%

Zvi Klein
245 Birchwood Ave.
Cranford, NJ 07016
30.5%

Always Be a Mench
LLC
245 Birchwood Ave.
Cranford, NJ 07016
6.8%

Chaya Cohen
245 Birchwood Ave.
Cranford, NJ 07016
10.0%

Morris Weisel
245 Birchwood Ave.
Cranford, NJ 07016
5.0%

AC at Edison LLC
245 Birchwood Ave.
Cranford, NJ 07016
7.2%

Gayatri Rama at
Edison
245 Birchwood Ave.
Cranford, NJ 07016
10.0%

Edison Associates LLC Ownership Details

Sidney Greenberger	245 Birchwood Ave.	Cranford, NJ 07016	30.5%
Zvi Klein	245 Birchwood Ave.	Cranford, NJ 07016	30.5%
Chaya Cohen	245 Birchwood Ave.	Cranford, NJ 07016	10.0%
Morris Weisel	245 Birchwood Ave.	Cranford, NJ 07016	5.0%
*Always Be a Mensch LLC	245 Birchwood Ave.	Cranford, NJ 07016	6.8%
*AC at Edison LLC	245 Birchwood Ave.	Cranford, NJ 07016	7.2%
* Gayatri Rama at Edison LLC	██████████	██████████	10.0%

*See details of ownership below:

ALWAYS BE A MENSCH LLC MEMBERSHIP INTERESTS

1. Danielle Lowinger 2007 Trust	19.493177%
2. David Lowinger 2007 Trust	19.493177%
3. Michael Lowinger 2007 Trust	19.493177%
4. Esther Lowinger SLAT	5.84795329%
5. Robert Lowinger	5.84795329%
6. Steven Lowinger	5.84795329%
7. Melissa Stock	5.84795329%
8. Zachary Lowinger	5.84795329%
9. Robert Schanzer	5.84795329%
10. Sharon Lowinger	5.84795329%
11. Mordy Perlow	.146199%
12. Mordy Rosenbaum	.146199%
13. Sam Schwebel	.146199%
14. Chaim Levin	.146199%
Total	100% Manager of LLC: Edward Lowinger

AC at Edison LLC

Barry Perlstein	25%
Yehudis Klein	25%
Menashe Eisen	25%
Sam Klein/HRJ Equity LLC	25%
Total	100%

Gayatri Rama at Edison LLC

Mukundprasad Thakar	40%
Ramilaben Thakar	50%
Japan Thakar	10%
Total	100%

RELATED OWNERSHIP

Sidney Greenberger

AristaCare at Norwood Terrace
40 Norwood Avenue
Plainfield, NJ 07060

AristaCare at Delaire
400 W Stimpson Avenue
Linden, NJ 07036

AristaCare at Cedar Oaks
1311 Durham Avenue
South Plainfield, NJ 07080

AristaCare at Whiting
23 Schoolhouse Road
Whiting, NJ 08759

AristaCare at Meadow Springs
845 Germantown Pike
Plymouth Meeting, PA 19462

AristaCare at Cherry Hill
1399 Chapel Avenue
Cherry Hill, NJ 08002

AristaCare at Manchester
1770 Tobias Avenue
Manchester, NJ 08759

Manchester Pediatric Medical Day Care
1770 Tobias Avenue
Manchester, NJ 08759

Zvi Klein

AristaCare at Delaire
400 W Stimpson Avenue
Linden, NJ 07036

AristaCare at Cedar Oaks
1311 Durham Avenue
South Plainfield, NJ 07080

AristaCare at Whiting
23 Schoolhouse Road
Whiting, NJ 08759

AristaCare at Meadow Springs
845 Germantown Pike
Plymouth Meeting, PA 19462

AristaCare at Cherry Hill
1399 Chapel Avenue
Cherry Hill, NJ 08002

AristaCare at Manchester
1770 Tobias Avenue
Manchester, NJ 08759

Manchester Pediatric Medical Day Care
1770 Tobias Avenue
Manchester, NJ 08759

Chaya Cohen

AristaCare at Delaire
400 W Stimpson Avenue
Linden, NJ 07036

AristaCare at Meadow Springs
845 Germantown Pike
Plymouth Meeting, PA 19462

AristaCare at Cherry Hill
1399 Chapel Avenue
Cherry Hill, NJ 08002

Eddie Lowinger (Always Be a Mentch)

AristaCare at Whiting
23 Schoolhouse Road
Whiting, NJ 08759

Morris Wiesel

AristaCare at Meadow Springs
845 Germantown Pike
Plymouth Meeting, PA 19462

AristaCare at Cherry Hill
1399 Chapel Avenue West
Cherry Hill, NJ 08002

AristaCare at Manchester
1770 Tobias Avenue
Manchester, NJ 08759

Manchester Pediatric Medical Day Care
1770 Tobias Avenue
Manchester, NJ 08759

AristaCare at Whiting
23 Schoolhouse Road
Whiting, NJ 08759

LEASE AGREEMENT

This Lease Agreement (this "Lease"), is made as of the 16th day of November, 2023 (the "Effective Date"), by and between **EDISON HEALTHCARE HOLDINGS LLC**, a New Jersey limited liability company, located at 1 Lincoln Highway, Suite 12, Edison, New Jersey 08820 ("HoldCo"); **EDISON HEALTHCARE LLC**, a New Jersey limited liability company, located at 1 Lincoln Highway, Suite 12, Edison, New Jersey 08820 (the "Old Operator", and, together with the Holdco, collectively, the "Landlord"); and **EDISON ASSOCIATES LLC**, a New Jersey limited liability company, located at 245 Birchwood Avenue, Cranford, New Jersey 07016 ("Tenant").

WHEREAS, HoldCo is the fee simple owner of the real property located at 10 Brunswick Avenue, Edison, New Jersey 08817 (the "Real Property" or the "Land") which is more fully described on Exhibit A attached hereto and made a part hereof; and

WHEREAS, in addition to the Real Property, HoldCo owns all right, title and interest in and to the following (collectively, the "Improvements"): (i) all buildings, structures, fixtures and other improvements located on the Land (the Land, together with all of the foregoing, collectively, the "Premises"), including the 280 bed long term care facility known as "Embassy Manor at Edison Nursing and Rehabilitation" (the "Nursing Facility") and the parking lot for the Premises; and

WHEREAS, Old Operator owns all right, title and interest in and to the following (collectively, the "Tangible and Intangible Property"): (i) all tangible and intangible personal property used in connection with the operation of the Facility, including the equipment for the operation of the Nursing Facility, and with the approval of the New Jersey Department of Health (the "Department"), the right to operate all of the beds (the "Facility Beds") currently being operated at the Facility (collectively, the "Bed Rights"); and

WHEREAS, the Land, Improvements, and Tangible and Intangible Property shall collectively be referred to as the "Leased Property;" and

WHEREAS, HoldCo currently leases the Real Property and Improvements to Old Operator; and

WHEREAS, Tenant shall apply for and obtain licenses from the Department to operate the Nursing Facility (collectively, the "Licenses"); and

WHEREAS, Old Operator and Tenant have entered into a Consulting Services Agreement dated as of the Effective Date (the "CSA"), with respect to the day to day management of the operations of the Nursing Facility, attached hereto as Exhibit B; and

WHEREAS, Tenant and Old Operator have entered into that certain Operations Transfer Agreement dated as of the Effective Date (the "OTA") with respect to the transfer of operations of the Nursing Facility, from Old Operator to Tenant, attached hereto as Exhibit C; and

WHEREAS, GK EDISON REALTY LLC, a New Jersey limited liability company (the "Optionee"), an affiliate of Tenant, and Landlord have entered into that certain Purchase Option Agreement (the "Option Agreement") dated as of the Effective Date, attached hereto as Exhibit D;

and

WHEREAS, HoldCo has agreed to terminate its lease with Old Operator; and

WHEREAS, Old Operator has agreed to lease the Bed Rights to the Tenant; and

WHEREAS, Holdco and Old Operator are hereinafter collectively referred to as Landlord.

NOW, THEREFORE, in consideration of the promises and covenants herein contained, it is mutually agreed by and between Landlord and Tenant as follows:

1. Grant.

Landlord hereby leases and demises to Tenant and Tenant hereby hires and rents from Landlord the Leased Property for Tenant's use and operation of the Nursing Facility Program.

2. Quiet Enjoyment.

If and so long as this Lease remains in full force and effect, Landlord covenants and agrees that Tenant may peaceably and quietly enjoy the Leased Property and Tenant's possession of the Leased Property will not be disturbed by Landlord, its successors and assigns, subject, however, to the terms of this Lease, the Mortgage (defined below), the Superior Lease (defined below) and any and/or all other agreements and any amendments thereto, to which this Lease is subordinated.

3. Term.

The term (the "Term") of this Lease shall commence on such date as set forth on the Commencement Date Rider, attached hereto as Exhibit E (the "Commencement Date") and shall terminate and expire on the day immediately preceding the fifth (5th) anniversary of the Reference Date (as defined in the OTA) (the "Initial Expiration Date"), unless extended or sooner terminated as provided herein. Tenant shall have the option to extend the Term for an additional Lease Year until the day immediately preceding the sixth (6th) anniversary of the Reference Date (the "First Extended Expiration Date") provided that the Tenant provides Landlord with written notice of such extension at least three (3) months prior to the Initial Expiration Date (the "First Extension Notice"). Tenant shall also have the option to extend the Term for a second additional Lease Year until the day immediately preceding the seventh (7th) anniversary of the Reference Date (the "Second Extended Expiration Date" and, collectively with the Initial Expiration Date and the First Extended Expiration Date, as applicable, the "Expiration Date") provided that the Tenant provides Landlord with written notice of such extension at least three (3) months prior to the First Extension Expiration Date (the "Second Extension Notice"). The twelve (12) month period commencing on the Reference Date, and each twelve (12) month period thereafter, is herein referred to as a "Lease Year."

4. Base Rent and Other Payments.

(a) Commencing as of the Commencement Date and for the balance of the Term of this Lease, Tenant covenants and agrees to pay to Landlord: (i) base rent in the amounts determined in accordance with subsection 4(b) below, (the, "Base Rent"); and (ii) additional rent

equal to any and all other sums, costs, expenses, charges or other payments which Tenant assumes, agrees or is obligated to pay pursuant to any provision of this Lease (“Additional Rent”). (Base Rent and Additional Rent are hereinafter collectively referred to as the “Rent”).

(b) The annual Base Rent shall be set forth on Schedule 4(b).

(c) Except as set forth in Section 15 of the OTA, Base Rent shall be payable in advance, without demand or offset, in equal monthly installments on the first day of each calendar month throughout the Term of this Lease. In the event the Commencement Date or the Expiration Date of this Lease shall be on a day other than the first day of a calendar month, then the Base Rent payable for such month shall be proportionately adjusted based on the actual number of days in such month.

(d) If Tenant shall fail to pay any installment of Rent within five (5) days after the due date thereof, Tenant shall pay Landlord a late charge equal to seven and one-half percent (7.5%) percent of the amount of such installment.

5. Real Estate Taxes.

(a) During the Term hereof, Tenant shall pay all real estate taxes, assessments, water and sewer rents and water and sewer charges and all other governmental levies and charges, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind, including any fine, penalty or interest imposed thereon, which are assessed or imposed upon the Premises or any part thereof, or become payable in respect of the use or occupancy of the Premises as herein provided (collectively, “Taxes”) directly to the applicable taxing authority. Tenant shall not be liable for the payment of any arrearage penalties or charges, late fees or Taxes which accrue prior to the Commencement Date. If any Taxes may be paid in installments, Tenant may exercise such option to pay the same in installments. All Taxes that Tenant has agreed to pay pursuant to this Lease and which are not so paid by Tenant may be paid by Landlord on ten (10) days prior written notice to Tenant. Any amount so paid by Landlord shall be deemed Additional Rent and shall be due and payable by Tenant on demand from Landlord.

(b) Notwithstanding the foregoing, at Landlord’s election, any amount payable to Landlord under the provisions of this Section shall be paid by Tenant within ten (10) days after Landlord shall have submitted a bill and statement (which statement shall include a copy of the appropriate tax bills) to Tenant showing in reasonable detail the computation of the amounts due Landlord hereunder. In addition, Landlord shall have the right to reasonably estimate the amount payable by Tenant under the provisions of this Section for each applicable fiscal tax year, and Tenant shall pay one-twelfth (1/12) of such amount each month at the time each installment of Base Rent is due. As soon as practicable after the end of an applicable fiscal tax year, Landlord shall furnish Tenant with a statement prepared showing the actual amount payable by Tenant under the provisions of this Section for such fiscal tax year.

(c) In the event Landlord receives a refund of any Taxes previously paid by Tenant, Landlord shall offset such sum against the Tenant’s next payment of Rent. Tenant shall have the right and option to contest or review by legal, administrative or other proceedings the amount or validity of any Taxes, upon condition that Landlord’s estate in the Premises shall not,

under any circumstances, be forfeited by reason of such contest or review. Landlord shall join in any such contest or review if necessary in order to properly prosecute such proceedings at no cost to Landlord. The proceedings referred to herein shall include, but shall not be limited to, appropriate appeals from any judgment, decrees or orders made in any such proceedings.

(d) Nothing contained in this Lease shall require Tenant to pay any franchise, corporate, estate, inheritance, succession, capital levy, income, profits or revenue tax of Landlord or any other tax assessment, charge, or levy upon the rent payable by Tenant under this Lease, provided, however, that if at any time during the Term of this Lease, under the laws applicable to Landlord, a tax on rents is assessed against Landlord or the Rent, as a substitution in whole or in part for taxes assessed on the Premises, such tax shall be deemed to be included within the Taxes which Tenant is required to pay under this Section 5. Tenant shall furnish to Landlord for its inspection official receipts of the appropriate taxing authority or other proof satisfactory to Landlord evidencing payment.

6. Condition.

Tenant shall accept the Premises in its “as is” condition and state of repair as of the Commencement Date without representation or warranty, express or implied, in fact or by law, by Landlord, and without recourse to Landlord, as to title thereto, the nature, condition or usability thereof or as to the use or occupancy which may be made thereof or the condition thereof. Except as specifically set forth herein, Landlord shall not be responsible for any defect in or to the Premises or any changes therein and the Rent shall in no event be withheld, abated or diminished on account of any defect, change or damage to the Premises.

7. Use.

(a) The Leased Property shall be used by Tenant for the operation of the Nursing Facility. In no event shall Tenant add Facility Beds or apply for changes in the License for the Nursing Facility without Landlord’s prior written consent, which consent may be withheld in Landlord’s sole but reasonable discretion. Further, Landlord expressly retains all of its present and future rights to request, at its sole cost and expense, approval from the Department to increase the total number of Facility Beds at the Nursing Facility. Tenant shall not do or permit anything to be done upon the Premises or any part thereof which would: (i) make void or voidable any insurance in force upon the Premises; (ii) make it difficult or impossible to obtain fire or other insurance upon the Premises at commercially reasonable rates; (iii) cause or be likely to cause damage to the Premises or any part thereof; (iv) constitute a public or private nuisance; or (v) violate applicable law or the Certificate of Occupancy for the Premises.

(b) To the extent Landlord is the beneficiary of any third party indemnification or other similar rights related to the Premises, Landlord shall reasonably cooperate with Tenant in seeking the enforcement of such rights. If such third parties fail to promptly conform or comply with any of their obligations to Landlord, Tenant may proceed directly against such third parties and Landlord will, if requested by Tenant: (a) to the extent same may be applicable, assign over to Tenant all rights, claims and causes of actions Landlord may have against any such third party arising out of such failure to so conform or comply; and (b) execute and deliver such other documentation as may be lawfully required to constitute Tenant as the holder of any and all rights,

claims and causes of action which Landlord may have against any third party arising out of such third party's breach.

(c) If required by the Township of Edison in connection with Tenant's lease of the Premises, Landlord shall obtain and deliver to Tenant on or prior to the Commencement Date, a Certificate of Continued Occupancy or similar certificate.

8. Insurance.

(a) Tenant shall, at Tenant's sole cost and expense, keep the Premises insured for the benefit of Landlord and Tenant: (i) in an amount which shall be sufficient to prevent Landlord or Tenant from becoming a co-insurer of any loss (but in no event in an amount less than one hundred percent (100%) of the full replacement value thereof, excluding foundation and excavation costs), against loss or damage by fire and lightening, including, by an extended coverage endorsement, windstorm, hail, explosion (except boiler), riot, riot attending a strike and civil commotion, damage from aircraft and vehicles and smoke damage; (ii) against loss or damage by a steam boiler, pressure vessel or other such apparatus as Landlord may reasonably deem necessary to be covered by such insurance and in such amount or amounts as Landlord may from time to time reasonably require; and (iii) against damage to plate glass, if any, in the Premises. At Landlord's election, Landlord shall have the right to insure the Premises against the aforesaid casualties and Tenant shall, within ten (10) days after invoice therefore, reimburse Landlord for all amounts paid for said casualty insurance.

(b) Tenant, at Tenant's sole cost and expense, shall maintain for the mutual benefit of Landlord and Tenant, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Premises and on, in or about the adjoining streets and passageways with limits of \$1,000,000 per occurrence and \$3,000,000 in the aggregate, which limits are customary in the industry. If in the future the limits for such coverage that are customary in the industry increase, Landlord shall notify Tenant and Tenant shall obtain insurance with such customary limits.

(c) All policies of insurance shall provide that same shall not be cancelable, terminable, modifiable or non-renewable on less than thirty (30) days' actual prior notice to all insureds and any Superior Mortgagee, as defined below.

(d) All insurance provided under this Lease shall be issued by insurers reasonably satisfactory to Landlord and licensed to do business in the State of New Jersey. Tenant shall deposit with Landlord and, if requested by Landlord, any Superior Mortgagee, certificates of insurance in the applicable ACORD form for all insurance required under this Section 8 prior to Tenant's possession of the Premises and, at least seven (7) days prior to the expiration date of any policy, the renewal certificates for such insurance shall be delivered by Tenant to Landlord, together with reasonably satisfactory evidence of its payment.

(e) All policies procured by Tenant or Landlord with respect to the Premises and the fixtures and equipment therein, whether or not required hereby to be carried, which insure the interest of one party only, shall (if it can be so written and either does not result in additional premium or the other party agrees to pay upon demand any additional resulting premium) include

provisions denying to the insurer acquisition by subrogation of rights of recovery against the other.

9. Utilities.

(a) During the Term hereof, Tenant shall pay all costs and expenses for all utilities, including, without limitation, electric current, water, heating oil, gas or other fuel, and cleaning services supplied to, servicing, or used in connection with the Premises and all mechanical systems therein, including, without limitation, the heating, air conditioning, ventilation and lighting equipment, directly to the utility company or vendor providing such utilities.

(b) Tenant shall not use or install any fixtures, equipment or machines the use of which in conjunction with other fixtures, equipment or machines would result in an overload of the electrical equipment supplying electric current to the Premises. Tenant shall not permit its use of electric current to exceed the capacity of then existing risers, feeders, the electrical service panel or bus ducts to the Premises.

10. Maintenance.

Tenant covenants to take good care of the Premises and the parking lots, sidewalks, curbs and vaults, if any, adjoining the Premises, and to keep the same in good working order and repair and to make promptly all necessary repairs thereto, interior and exterior, structural and nonstructural, ordinary as well as extraordinary, foreseen as well as unforeseen, and equal in quality and class and does hereby expressly waive any right to make repairs at the expense of Landlord as provided for in any statute or law in effect at the time of the execution of this Lease or any amendment hereto, or any other statute or law which may hereafter be enacted during the term of this Lease. Such repairs shall be executed pursuant to the provisions of Section 11, below. Tenant covenants to keep the Premises and sidewalks in a clean and orderly condition and free of dirt, rubbish, snow and ice.

11. Alterations.

(a) Tenant shall not execute any alterations, additions or improvements (hereinafter called an "Alteration") to the Premises at any time during the Term of this Lease without Landlord's prior written consent in each instance.

(b) In the event Landlord approves an Alteration, title to each Alteration which is real property, fixtures (but not Tenant's Property, as defined below), improvements or replacement equipment installed in the Premises or any part thereof at any time, either by Tenant or by Landlord on Tenant's behalf, shall, upon installation be free and clear of all mortgage liens and shall vest and become the property of Landlord and shall remain upon and be surrendered with the Premises. Upon completion of all Alterations, Tenant shall obtain a Certificate of Occupancy (or equivalent certificate) which may be required by any governmental authority to evidence completion of the Alteration and to authorize the occupancy of all or any part of the Premises and provide Landlord with lien waivers from any such contractor and subcontractor which complete the Alteration. Should any contractor or subcontractor place a lien on the Premises, the Tenant shall either have same discharged or bonded off within thirty (30) days of Tenant's knowledge of the recording of such lien. This Section shall not prohibit Tenant from financing its furnishings, fixtures or equipment or for the financing of any Alteration, providing same does not involve the

recordation of a mortgage.

(c) Notwithstanding anything contained herein to the contrary, Tenant shall have the right to perform non-structural Alterations which do not materially adversely affect the building systems, and cost less than \$250,000.00 on an annual basis. With respect to non-structural Alterations which exceed \$250,000.00 annually or materially adversely affect the building systems, Tenant shall not perform such Alterations to the Premises without the Landlord's prior written consent, which consent shall not be unreasonably withheld conditioned or delayed. In no event shall Tenant expand the Premises or perform any construction which shall increase the square footage of the Premises, or that is structural in nature, without Landlord's consent, which may be withheld in Landlord's sole and absolute discretion. At the end of the Term, all Alterations, fixtures and furnishings shall, at the option of Landlord, belong to Landlord, and Tenant shall surrender same.

12. Tenant's Property

Notwithstanding any contrary provision contained herein, Tenant shall have the right, at its own cost and expense, to install machinery, equipment and fixtures as Tenant may require from time to time ("Tenant's Property"), with Landlord's prior written consent, which consent shall not be unreasonably withheld conditioned or delayed.

13. Rights of Landlord.

Upon reasonable advance notice (except in the case of an emergency), Landlord may enter the Premises at all reasonable times to examine the Premises to make repairs, or legally required alterations, improvements or additions provided that Landlord shall minimize interference with Tenants business operations during any and all access under this Section and that any required alterations, improvements or additions are performed in accordance with all applicable laws, rules regulations, ordinances and approvals, including those governing the licensed operation of the Nursing Facility. Landlord shall be permitted to take all material into and upon the Premises that may reasonably be required therefor without the same constituting an eviction of Tenant in whole or in part. Entry upon the Premises by Landlord by any of said means or otherwise shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into the Premises or a detainer or eviction of Tenant from the Premises. In the exercise of its rights under this Section 13, Landlord shall make reasonable efforts not to interfere with Tenant's use of the Premises.

14. Assignments and Subleases.

(a) Tenant, for itself, its legal representatives, successors and assigns, covenants that it shall not assign, mortgage or encumber this Lease, nor underlet, or suffer or permit the Premises or any part thereof to be used or occupied by others, without the prior written consent of Landlord in each instance, which consent may be withheld by Landlord in its sole and absolute discretion. If this Lease be assigned, or if the Premises or any part thereof be underlet or occupied by anybody other than Tenant, Landlord may, after default by Tenant, collect rent from the assignee, undertenant or occupant, and apply the net amount collected to the Rent herein reserved, but no assignment, underletting, occupancy or collection shall be deemed a waiver of the provisions hereof, the acceptance of the assignee, undertenant or occupant as tenant, or a release

of Tenant from the further performance by Tenant of the covenants herein contained on the part of Tenant to be performed. The consent by Landlord to an assignment or underletting shall not in any way be construed to relieve Tenant from obtaining the express consent in writing of Landlord to any further assignment or underletting. In no event shall any permitted subtenant assign or encumber its sublease or further sublet all or any portion of its sublet space, or otherwise suffer or permit the sublet space or any part thereof to be used or occupied by others, without Landlord's prior written consent in each instance. A modification, amendment or extension of a sublease shall be deemed a sublease.

(b) For purposes of this Section 14: (i) the issuance of any interest in Tenant (whether stock, partnership interest or otherwise) to any person or group of related persons, whether in a single transaction or a series of related or unrelated transactions, in such quantities that after such issuance such person or group shall have control (defined herein) of Tenant, shall be deemed an assignment of this Lease; (ii) a transfer or transfers of more than 50% interest of Tenant (whether stock, partnership interest or otherwise) by any party or parties in interest whether in a single transaction or a series of related or unrelated transactions, resulting in Sidney Greenberger and Zvi "Heshy" Klein no longer maintaining the controlling interest in the Tenant, shall be deemed an assignment of this Lease; and (iii) any person or legal representative of Tenant, to whom Tenant's interest under this Lease passes by operation of law, or otherwise, shall be bound by the provisions of this Section 14. Further, for the purposes hereof: stock ownership shall be determined in accordance with the principles set forth in Section 544 of the Internal Revenue Code of 1954; and "control" shall be deemed to mean ownership of not less than 50% of all of the voting stock of a corporation or not less than 50% of all of the legal and equitable interest in any other business entities.

15. Subordination.

(a) This Lease, and all rights of Tenant hereunder, are and shall be subject and subordinate to all ground leases, overriding leases and underlying leases of the Premises now or hereafter existing and to all mortgages (including modification, spreaders and renewals thereof) which may now or hereafter affect the Premises or any such lease. This subordination shall be self-operative and no further instrument of subordination shall be required. In confirmation of such subordination, Tenant shall promptly execute, acknowledge and deliver any instrument that Landlord may reasonably request to evidence such subordination. Any lease to which this Lease is subject and subordinate is herein referred to as a "Superior Lease" and the lessor of a Superior Lease is herein referred to as a "Superior Lessor;" and any mortgage to which this Lease is subject and subordinate is herein referred to as a "Superior Mortgage;" and the holder of a Superior Mortgage is herein referred to as a "Superior Mortgagee."

(b) If any Superior Lessor or Superior Mortgagee shall succeed to the rights of Landlord hereunder, whether through possession or foreclosure action or delivery of a new lease or deed, then, at the request of such party (hereinafter referred to as a "Successor Landlord"), Tenant shall attorn to and recognize each Successor Landlord as Tenant's landlord under this Lease and shall within ten (10) days after request by such Successor Landlord execute and deliver any instrument such Successor Landlord may reasonably request to confirm such attornment. Upon such attornment, this Lease shall continue in full force and effect as a direct lease between Successor Landlord and Tenant on all the terms, conditions, and covenants as set forth in this

Lease. Notwithstanding anything contained herein to the contrary, Tenant's subordination required hereunder shall expressly be conditioned upon Landlord's obtaining from all Superior Lessors and Superior Mortgagees a non-disturbance agreement in form and substance reasonably satisfactory to Tenant which provides that the holder of such ground leases and/or mortgages shall not interfere with, hinder or molest Tenant's right to quiet enjoyment under this Lease, nor the right of Tenant to continue to occupy the Premises and to conduct its business thereon in accordance with the covenants, conditions, provisions, terms and agreements of this Lease (a "Non-Disturbance Agreement").

16. Liens.

Tenant has no authority to incur any debt or make any charge against Landlord or create any lien upon this Lease or the Premises, for work or materials furnished for the same. In the event that any labor, materials or equipment are furnished to Tenant with respect to which any mechanics' or materialmen's lien might be filed against the Premises, Tenant agrees to take appropriate action to assure that no such lien will be filed, and Tenant agrees to pay, when due, all sums of money that may become due for any such labor, materials or equipment and to cause any such lien to be fully discharged and released or bonded in accordance with the New Jersey Construction Lien Law promptly upon receiving notice thereof. If Tenant has not obtained the discharge of any such lien within ninety (90) days after notice given by Landlord in writing to Tenant, Landlord may pay the amount of such lien and the amount so paid, with interest thereon at the rate of twelve (12%) percent per annum, shall be deemed Additional Rent reserved under this Lease and shall be payable forthwith and with the same remedies to Landlord as in the case of default in the payment of Rent. In no event shall Landlord's interest under this Lease be subject to any liens for improvements made by Tenant.

17. Fire or Casualty Loss.

Except as otherwise expressly provided herein, damage to or destruction of the Premises by fire or other casualty shall not release or diminish Tenant's obligations hereunder, entitle Tenant to surrender possession of the Premises, terminate this Lease or violate any provisions hereof. Tenant covenants and agrees that in case of damage to or destruction of the Premises by fire or other casualty, Tenant, at Tenant's sole cost and expense, will promptly repair, restore, replace and rebuild the same to the condition existing immediately prior to such damage or destruction, in accordance with Section 11, above. All insurance proceeds received on account of such damage or destruction whether received by Landlord or Tenant, less the reasonable costs, if any, of such recovery (which costs shall be payable to the party incurring such costs) shall be deposited into a segregated interest-bearing account maintained by Landlord (with the interest to follow the proceeds thereof) and shall be applied to the payment of the cost of such restoration, repair, replacement or rebuilding, including expenditures made for temporary repairs or for the protection of property pending the completion of permanent restoration, repair, replacement, or rebuilding and shall be paid out to Tenant, upon Tenant's request therefor made from time to time, as required under the applicable construction contracts as such work progresses. The foregoing notwithstanding, in the event that any Superior Mortgagee shall require the proceeds of any insurance be deposited and/or utilized in a manner which is contrary to or inconsistent with this Section 17, Tenant shall comply with such requirements of the Superior Mortgagee with respect to any such restoration of the Premises.

18. Eminent Domain.

If any part of the Premises is taken or condemned for a public or quasi-public use (a sale in lieu of condemnation to be deemed a taking or condemnation) (each an “Appropriation”), provided such condemnation does not, in the reasonable determination of Tenant, interfere with, or adversely affect, the ability of Tenant to continue to operate the Nursing Facility in substantially the same manner as before the condemnation (a “Partial Condemnation”), this Lease shall, as to the part taken, terminate as of the date title shall vest in the condemnor and continue in full force as to the remainder and in the event of such a partial taking, the Rent and the Sales Price under the Option (as such capitalized terms are defined in Section 27 of this Lease) shall be equitably adjusted by Landlord, and Tenant shall restore, subject to unavoidable delays, the remaining portion of the Premises to a complete architectural unit. In the event the parties cannot agree upon such rent adjustment, then such dispute shall be submitted to arbitration and any decision shall be final and binding. Such restoration, repairs, and/or reconstruction shall be performed in accordance with the terms of Section 11, above. Any condemnation proceeds received on account of such Appropriation by Landlord or Tenant, less the reasonable costs of collecting the same, if any, shall be deposited into a segregated interest-bearing account maintained by Landlord (with interest to follow the proceeds thereof) and used for such restoration to restore the improvements located on the Premises and paid out to Tenant, upon Tenant’s request therefor made from time to time, in accordance with the construction contracts as such work progresses. In the event of a condemnation that is not a Partial Condemnation (a “Total Condemnation”), including a sale in lieu of condemnation, this Lease shall terminate as of the date title shall vest in the condemnor and, upon such termination, the Total Option Deposit (as such capitalized terms are defined in Section 27 of this Lease) shall be promptly returned to Tenant and thereafter, Landlord and Tenant shall have no further obligations hereunder, except to the extent such obligations are to survive the termination of this Lease as otherwise provided in this Lease. Landlord and Tenant each covenant and agree that promptly after receipt by either party of notice from the condemning authority of the pendency of a Partial Condemnation or a Total Condemnation, such party shall deliver to the other party a copy of such notice. Any termination hereunder shall be without prejudice to the rights of either Landlord or Tenant to recover compensation from the condemning authority for any loss or damage caused by such Appropriation, the parties hereto agreeing that both Landlord and Tenant shall have the right to make claims for any loss or damage it suffers. The foregoing notwithstanding, in the event that any Superior Mortgagee shall require any award to be deposited and/or utilized in a manner which is contrary to or inconsistent with this Article 18, Tenant shall comply with such requirements of the Superior Mortgagee with respect to any such restoration of the Premises.

19. Broker.

Landlord and Tenant each represents that in connection with this Lease it dealt with no broker nor has either had any correspondence or other communication in connection with this Lease with any other person who is a broker, and that so far as each of Landlord and Tenant is aware there is no broker who negotiated this Lease. Landlord and Tenant each hereby indemnifies the other and agrees to hold the other harmless from any and all loss, cost, liability, claim, damage, or expense (including court costs and attorneys’ fees) arising out of any inaccuracy of the above representation.

20. Surrender and Holding Over.

(a) On the last day of the Term or on the earlier termination of the Term, Tenant shall peaceably and quietly leave, surrender and deliver the Leased Property to Landlord, together with all Alterations (unless Landlord shall notify Tenant that it elects to have Tenant remove same as aforesaid) and any additional Facility Beds added to the Nursing Facility during the Term (“Additional Facility Beds”), shall revert to Landlord, and, at Landlord’s option, all alterations, fixtures, equipment, supplies and furnishings shall belong to Landlord, and all such assets shall become and be the sole property of the Landlord. Further, Tenant shall fully cooperate, assist, and take all necessary action required to transition the licensed operation of the Nursing Facility to Landlord or its designated Affiliate including but not limited to timely completing and filing transfer of ownership and similar applications with the Department and other applicable state or federal regulatory or fiscal agencies. Except as otherwise set forth in the OTA or this Lease, Tenant shall indemnify, save, protect, defend, and hold harmless Landlord, its Affiliates, their respective employees, members, managers, shareholders, officers, directors and agents (“Landlord Indemnitees”) from and against any and all applicable Losses (as such term is defined in the OTA) incurred or suffered by any such Landlord Indemnitee arising from, by reason of or, in connection with Tenant’s operation of the Nursing Facility.

(b) Tenant shall pay or cause to be paid the cost of repairing or remedying any damage caused by the removal of its property, provided that no item of Tenant’s property may be removed if its removal would impair the structural integrity of the Premises or its equipment. All property not so removed shall be deemed abandoned and may either be retained by Landlord as its property or disposed of, without accountability, at Tenant’s sole cost, expense and risk, in such manner as Landlord may see fit.

(c) If the Premises are not surrendered in accordance with the provisions of this Section upon the expiration or termination of this Lease, Landlord shall have all rights given at law or in equity, in the case of holdovers, to remove Tenant and anyone claiming through or under Tenant. In any event, Tenant shall and does hereby indemnify Landlord against all loss or liability arising from delay by Tenant in so surrendering the Premises, including any claims made by any succeeding tenants founded on such delay. Tenant expressly waives, for itself and for any person claiming through or under Tenant (including creditors), any rights which Tenant or any such person may have under the provisions of any law in connection with any holdover summary proceedings which Landlord may institute to enforce the provisions of this Section. Tenant’s obligations under this Section shall survive the expiration or termination of this Lease.

(d) Tenant acknowledges the importance to Landlord that possession of the Premises be surrendered at the expiration or sooner termination of this Lease. In the event that Tenant fails to vacate the Premises at the expiration or sooner termination of this Lease, Tenant shall be obligated to pay Landlord damages in an amount equal to two times (2x) the annual Base Rent and Additional Rent provided for on the day preceding the Expiration Date for such period of time that Tenant holds over on a per diem basis.

21. Default and Termination.

(a) Any of the following events shall be deemed an “Event of Default” under this Lease:

(i) if Tenant fails to make any payment of Rent or additional rent within five (5) days after written notice from Landlord (a “Monetary Default”); and/or

(ii) if Tenant fails to maintain insurance as set forth herein, and Tenant fails to cure such failure within fifteen (15) days after written notice thereof has been sent by Landlord to Tenant; and/or

(iii) if Tenant is terminated as a participant by Medicaid or Medicare; and/or

(iv) if Tenant’s operation of the Nursing Facility results in any deficiency, enforcement action, audit, or the operation of the Nursing Facility results in the Nursing Facility receiving an Immediate Jeopardy determination by the Centers of Medicare and Medicaid Services’ (“CMS”), and Tenant fails to cure such failure within the timeframe set forth by CMS for such cure and/or

(v) if Tenant fails to perform any other term, covenant or condition of this Lease on its part to be performed (other than the covenant for the payment of Rent) and Tenant fails to cure such failure within thirty (30) days after written notice thereof has been sent by Landlord to Tenant, unless same is not capable of being cured within said thirty (30) day period, then such longer time as is required to cure same provided Tenant commences curing same within said thirty (30) day period and diligently prosecutes curing until completion and provided further said failure is cured within ninety (90) days; and/or

(vi) if Tenant shall file a voluntary petition seeking an order or relief under Title 11 of the United States Code or similar law of any jurisdiction applicable to Tenant, or Tenant shall be adjudicated a debtor, bankrupt or insolvent, or shall file any petition or answer seeking, consenting to or acquiescing in any order for relief, reorganization, arrangement, composition, adjustment, winding-up, liquidation, dissolution or similar relief with respect to Tenant or its debts under the present or any future bankruptcy act or any other present or future applicable Federal, state or other statute or law, or shall file an answer admitting or failing to deny the material allegations of a petition against it for any such relief or shall generally not, or shall admit in writing its insolvency or its inability to pay its debts as they become due, or shall make a general assignment for the benefit of creditors or shall seek or consent or acquiesce in the appointment of any trustee, receiver, examiner, assignee, sequestrator, custodian or liquidator or similar official of Tenant or of all or any part of Tenant’s property or if Tenant shall take any action in furtherance of or authorizing any of the foregoing; and/or

(vii) if any case, proceeding or other action shall be commenced or instituted against Tenant, seeking to adjudicate Tenant a bankrupt or insolvent, or seeking an order for relief against Tenant as debtor, or reorganization, arrangement, composition, adjustment, winding-up, liquidation, dissolution or similar relief with respect to Tenant or its debts under the present or any future bankruptcy act or any other present or future applicable Federal, state or other

statute or law, or seeking appointment of any trustee, receiver, examiner, assignee, sequestrator, custodian or liquidator or similar official of Tenant or of all or part of Tenant's property, which either (A) results in the entry of an order for relief, adjudication of bankruptcy or insolvency or such an appointment or the issuance or entry of any other order having similar effect or (B) remains undismissed for a period of sixty (60) days; or if any case, proceeding or other action shall be commenced or instituted against Tenant seeking issuance of a warrant of execution, attachment restraint or similar process against Tenant or any of Tenant's property which results in the taking or occupancy of the Premises or an attempt to take or occupy the Premises which shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days after the entry thereof; and/or

(viii) if Tenant or any Guarantor makes an assignment for the benefit of any creditors; and/or

(ix) if Tenant or any Guarantor shall admit in writing its inability to pay its debts generally as they become due; and/or

(x) if a receiver be appointed for any property of Tenant; and/or

(xi) if Tenant ceases operation of the Nursing Facility for more than forty-eight hours, except as a result of damage, destruction or a partial or complete condemnation; and/or

(xii) if Tenant receives a state or federal licensure or certification survey in which there is a finding that the Facility's residents are in jeopardy as defined under state and federal law, which finding remains uncured for the lesser of (i) sixty (60) days (unless such default cannot reasonably be cured within sixty (60) days, in which event such period may be extended by Landlord in its sole discretion for such reasonable period as Landlord shall permit, provided Tenant shall have commenced in good faith to cure such default within the first sixty (60) day period and shall proceed with all due diligence to correct such default thereafter) or (2) such period of time as is permitted under applicable state or federal law for the cure thereof prior to the initiation or commencement of any decertification, license revocation or similar proceedings; and/or

(xiii) if Tenant receives a state or federal notice of termination or "fast track" decertification and such notice has not been suspended, extended, withdrawn or terminated within the time period required by any governmental authority; and/or

(xiv) if Tenant fails to maintain its qualifications for licensure and accreditation as required by this Lease if failure to do so will result in an inability to operate or result in a receivership; and/or

(xv) if any malpractice award or judgment exceed any applicable malpractice insurance coverage by more than Five Hundred Thousand Dollars (\$500,000) shall be rendered against Tenant and either (i) enforcement proceedings shall have been commenced by any creditor upon such award or judgment or (ii) such award or judgment shall continue unsatisfied and in effect for a period of fifteen (15) consecutive days without a nationally reputable insurance company having agreed to fund such award or judgment and in either case such award or judgment

shall, in the reasonable opinion of Landlord, have a material advised effect on the ability of Tenant to operated the Leased Facilities; and/or

(xvi) if any participation, provider or reimbursement agreement material to the operation or financial condition of Tenant or the Leased Property shall be terminated prior to the expiration of the term thereof or, without the prior written consent of the Landlord in each instance (which consent may be not unreasonably withheld, delayed, or conditioned), the same shall not be renewed or extended upon the expiration of the stated term thereof; and/or

(xvii) if a state or federal regulatory agency shall have (i) made a substandard quality of care determination of the Leased Property, which determination is not deemed corrected in sixty (60) days following Tenant's receipt of notice of such designation, determination or action, provided, however, that Tenant shall not be in default if it has filed plan of corrections or other documentation to that effect with the applicable state/federal agencies within their respective timeframes and is awaiting response; (ii) made a determination that the Leased Property is not in substantial compliance with any applicable regulatory requirements, which determination is not corrected within the period specified in such determination, or if no such period is specified, within sixty (60) days following Tenant's receipt of notice of such designation, determination or action, provided, however, that Tenant shall not be in default if it has filed a plan of corrections or other documentation to that effect with the applicable state/federal agencies within their respective timeframes and is awaiting response; (iii) cited deficiencies at the scope and severity of an "immediate jeopardy" or higher with respect to the Leased Property and for which no plan of correction is filed with the applicable state or federal regulatory agency within thirty (30) days of receipt of such deficiency statement; or (iv) taken adverse regulator action with respect to the Leased Property including, without limitation, the imposing of civil money penalties, with such designation, determination or action continuing unremedied for a period of sixty (60) days following Tenant's receipt of notice of such designation, determination or action; and/or

(xviii) if any transfer, sublease or assignment of this Lease or Tenant's direct or indirect interest therein or a transfer of Tenant's direct or indirect equity ownership interest occurs, other than in accordance with the provision of this Lease; and/or

(xix) upon the denial, refusal to issue, or loss of any material, licenses, Medicare or Medicaid certifications, certificates, approvals, permits, variances, waivers, provider agreements and other authorizations necessary or required for Tenant to operate the Leased Property in accordance with the requirements of this Lease; and/or

(xx) if any of the representations or warranties made by Tenant under this Lease proves to be untrue when made in any material respect; and/or

(xxi) if in any twelve (12) month period during the Term of this Lease and any extension thereof; any governmental authority having jurisdiction over the operation of the Leased Property removed ten (10%) or more of the patients or residents who reside in the Leased Property located at the Facility for a period of ten (10) more day or more or if any of the beds for which the Leased Property are certified are decertified by any governmental authority, provided, however, that no Event of Default shall occur as a result of reduction in bed count due to the casualty or condemnation or due to governmental regulations uniformly applicable to skilled

nursing facilities, assisted living, independent living or continuing care retirement community facilities throughout the State of New Jersey; and/or

(xxii) If Tenant fails to notify Landlord within seven (7) calendar days after receipt of any notice from any governmental authority, terminating or suspending or threatening termination or suspension of any material license waiver or certification relating to the Leased Property. If Tenant fails to give Landlord notice not later than (A) then (10) calendar days (but if Landlord's lender requires a shorter period, such notice period shall be accordingly shortened) after Tenant's receipt of any "Immediate Jeopardy" (as such term is customarily used) or its equivalent notice from any governmental authority or officer, acting on behalf thereof relating to the Leased Property or (B) in cases not involving Immediate Jeopardy, ten (10) calendar days of receiving notice of the imposition of a denial of payment for new admissions or equivalent notice from any governmental authority or officer acting behalf thereof relating to the Leased Property; and/or

(xxiii) If Tenant fails to cure or abate any violation that could result in a denial of payment or equivalent violation occurring during the Term, or any extension thereof, for a period of one hundred twenty (120) days that is claimed by any governmental authority or any officer acting on behalf thereof, of any applicable law relating to the operation of the Leased Property within the time period permitted by such governmental authority for cure or abatement; and/or

(xxiv) if Tenant transfers or voluntarily surrenders the Licenses; and/or

(xxv) there is an "Option Default" (as defined and more particularly described in Section 27(e) of this Agreement).

(xxvi) there is an Event of Default by the Tenant under the OTA.

(b) Upon the occurrence of any one or more Events of Default, Landlord may serve a written three (3) day notice of cancellation of this Lease upon Tenant, and upon the expiration of said three (3) day period, this Lease and the term hereunder shall end and expire as fully and completely as if the expiration of said three (3) day period were the day herein definitely fixed for the end and expiration of this Lease and the Term and Tenant shall then quit and surrender the Premises to Landlord, but Tenant shall remain liable as hereinafter provided.

(c) If the notice provided for under Section 21(b) hereof shall be given, and the Term shall expire as aforesaid, then and in any such event, Landlord may re-enter the Premises and dispossess Tenant by summary proceeding or otherwise, and may remove all persons, fixtures and chattels therefrom and Landlord shall not be liable for any damages resulting therefrom. Upon the happening of any one or more of the Events of Default, Landlord may repossess the Premises by any lawful means and without terminating this Lease, and in any such case, Tenant shall pay to Landlord a sum equal to the entire amount of the Rent reserved hereunder and required to be paid by Tenant up to the time of such termination of the right of possession plus any other sums then due hereunder minus the amount of the Total Option Deposit, which shall be retained by Landlord to be applied against such Rent, with any amount in excess of such Rent, to be returned promptly to Tenant.

(d) Notwithstanding any contrary provision contained herein, if there shall be an Event of Default at any time or from time to time, Landlord may, in lieu of giving a notice under Section 21(b) hereof, at any time after the occurrence of any such Event of Default and during the continuance thereof, institute an action for the recovery of the Base Rent and/or Additional Rent in respect of which an Event of Default shall have occurred and be continuing. Neither the commencement of any such action for the recovery of Base Rent and/or Additional Rent nor the prosecution thereof shall be deemed a waiver of Landlord's right to give a notice under Section 21(b) hereof in respect of any such Event of Default.

(e) Suit or suits for the recovery of such damages, or any installments thereof, may be brought by Landlord from time to time at its election, and nothing contained herein shall be deemed to require Landlord to postpone suit until the date when the Term would have expired or limit or preclude recovery by Landlord against Tenant of any sums or damages which, in addition to the damages particularly provided herein, Landlord may lawfully be entitled by reason of any default hereunder on the part of Tenant. All remedies hereinbefore given to Landlord and all rights and remedies given to it at law and in equity shall be cumulative and concurrent.

22. Estoppel Certificates.

Landlord or Tenant each shall, at any time and from time to time, within ten (10) business days after receipt of written notice from the other, execute, acknowledge and deliver to the requesting party a statement in writing certifying that this Lease is unmodified and in full force and effect (or, if there have been modifications, that the Lease is in full force and effect as modified, and setting forth the modifications), the dates to which the Rent has been paid, and stating whether or not, to the best knowledge of party delivering the statement, any party is in default in keeping, observing or performing any term, covenant, agreement, provision, condition or limitation contained in this Lease, and if in default, specifying each such default, it being intended that any such statement delivered pursuant to this section may be relied upon by the requesting party, or any prospective purchaser, assignee or mortgagee.

23. Environmental Provisions.

(a) Covenants and Agreements. Tenant covenants and agrees from the date hereof and so long as this Lease shall remain in effect not to cause or permit the presence, use, generation, release, discharge, storage, disposal, or transportation of any Hazardous Materials (as hereinafter defined) on, under, in, about, to, or from the Premises by Tenant, Tenant's agents, representatives, employees, contractors, guests, licensees or invitees. Notwithstanding the foregoing, Tenant shall be allowed to bring onto the Premises certain Hazardous Materials that are an integral part of Tenant's operation of the Nursing Facility, provided Tenant shall use, discharge, store, dispose, and transport such permitted Hazardous Materials as provided for herein and in material compliance with all applicable laws and codes. Tenant hereby covenants and agrees to promptly remove from the Premises, any Hazardous Materials discovered or delivered thereon which have been used, discharged, disposed of or stored thereon by Tenant or Tenant's agents, representatives, employees, contractors, guests, licenses or invitees, and to comply in all respects with any and all federal, state, and local governmental laws, codes, ordinances and regulations governing such removal and disposal, whether now in effect or hereafter enacted, with title to all such Hazardous Materials to remain, and be stored or disposed of, in Tenant's name. As used

herein, the term “Hazardous Materials” shall include, without limitation, asbestos or any substance containing asbestos and deemed hazardous under any Hazardous Material Law (defined below), the group of organic compounds known as polychlorinated biphenyls, flammable explosives, radioactive materials, chemicals known to cause cancer or reproductive toxicity, pollutants, effluents, contaminants, emissions or related materials and any items included in the definition of hazardous or toxic waste, materials or substances under any law relating to environmental conditions and industrial hygiene, whether now in effect or hereafter enacted, including without limitation, the Resource Conservation and Recovery Act of 1976 (“RCRA”), 42 *U.S.C.* § 6901 *et seq.*, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (“CERCLA”), 42 *U.S.C.* §§ 9601-9657, as amended by the Superfund Amendments and Reauthorization Act of 1986 (“SARA”), the Hazardous Materials Transportation Act, 49 *U.S.C.* § 6901, *et seq.*, the Federal Water Pollution Act, 33 *U.S.C.* § 7401, *et seq.*, the Toxic Substances Control Act, 15 *U.S.C.* § 2601-2629, the Safe Drinking Water Act, 42 *U.S.C.* §§ 300f-300j, the Industrial Site Recovery Act (“ISRA”), *N.J.S.A.* 13:1k-6 *et seq.*, the Spill Compensation and Control Act (the “Spill Act”), *N.J.S.A.* 58:10-23.11 *et seq.*, and all similar federal, state and local environmental statutes, ordinances, and the regulations, orders, decrees now or hereafter promulgated thereunder (collectively the “Hazardous Material Law”). Tenant hereby covenants to Landlord to be responsible for any and all past, present, and future costs and expenses, fines, damages, and/or liability relating to discharge of any Hazardous Materials on the Premises or the presence of any underground storage tanks (“USTs”) under the Premises.

(b) Environmental Compliance. Tenant represents and warrants that it is not an “Industrial Establishment” as that term is defined in the Industrial Site Recovery Act, *N.J.S.A.* 13:1k-6 *et seq.*, as same may be amended from time to time (“ISRA”). Tenant shall not do or suffer anything that will cause it to become an Industrial Establishment under ISRA during the Term of this Lease. In the event that Tenant now is or hereafter becomes an Industrial Establishment (which event shall cause Tenant to be in default of this Lease), Tenant shall, at its sole cost and expense, fulfill, observe and comply with all of the terms and provisions of ISRA and all rules, regulations, ordinances, opinion, orders and directives issued or promulgated pursuant to or in connection with ISRA by the New Jersey Department of Environmental Protection in connection with Tenant’s use and occupancy of the Premises. Tenant also agrees that it shall, at its sole cost and expense, observe, comply and fulfill all of the terms and provisions of the Spill Compensation and Control Act (the “Spill Act”), *N.J.S.A.* 58:10-23.11 *et seq.*, as the same may be amended from time to time, and all rules, regulations, ordinances, opinions, orders and directives issued or promulgated pursuant to or in connection with the Spill Act by the New Jersey Department of Environmental Protection, any subdivision or bureau thereof or governmental or quasi-governmental agency or body having jurisdiction thereof. It is the intention of the parties hereto that Tenant shall fulfill all obligations under ISRA and the Spill Act at its sole cost and expense, and Landlord shall be free of all expenses and obligations arising from or in connection with compliance with these Acts in connection with Tenant’s occupancy of the Premises.

(c) Environmental Indemnification. Tenant agrees to indemnify, pay and protect, defend (with counsel approved by Landlord), and hold harmless Landlord and its directors, trustees, officers, shareholders, employees, agents, assigns and mortgagee(s) from and against any claims (including, without limitation, third party claims for personal injury or real or personal property damage or damage to the environment), actions, administrative proceedings (including informal proceedings), judgments, damages, (including, without limitation, a decrease in value of

the Premises, damages caused by loss or restriction of rentable or usable space, or any damages caused by adverse impact on marketing of the Premises), punitive damages, penalties, fines, costs, liabilities (including sums paid in settlement of claims), interest, or losses, including reasonable attorneys' fees and expenses (including, without limitation, any such fees and expenses incurred in enforcing this Lease or collecting any sums due hereunder), consultant fees, and expert fees, together with all other costs and expenses of any kind or nature (collectively, the "Costs") incurred prior to, during or after the Term that arise directly or indirectly from or in connection with the presence, suspected presence, release, or suspected release of any Hazardous Material in or into the air, soil, groundwater, or surface water at, on, about, under, or within the Building or any portion thereof, or elsewhere. The indemnification provided in this subsection 23(c) shall specifically apply to and include claims or actions brought by or on behalf of employees, guests, contractors, agents, licensees and/or invitees of Tenant. In the event Landlord shall suffer or incur any such Costs due to Tenant's actions, Tenant shall pay to Landlord the total of all such Costs suffered or incurred by Landlord upon demand by Landlord. Without limiting the generality of the foregoing, the indemnification provided in this subsection 23(c) shall specifically cover Costs, including capital, operating, and maintenance costs, incurred in connection with any investigation or monitoring of site conditions, any clean-up, containment, remedial, removal, or restoration work required or performed by any federal, state, or local governmental agency or political subdivision or performed by any nongovernmental entity or person because of the presence, suspected presence, release, or suspected release of any Hazardous Material in or into the air, soil, groundwater, or surface water at, on, about, under, or within the Project (or any portion thereof).

(d) Remedial Work. In the event any investigation or monitoring of site conditions or any clean-up, containment, restoration, removal, or other remedial work (collectively the "Remedial Work") is required due to Tenant's acts, omissions or negligence or in connection with the USTs under any applicable federal, state, or local law or regulation, by any judicial order, or by any governmental entity, or in order to comply with any agreements affecting the Premises because of, or in connection with, any occurrence or event described in subsection 23(c) above, Tenant shall perform or cause to be performed the Remedial Work in compliance with such law, regulation, order, or agreement. All Remedial Work shall be performed by one or more contractors, selected by Landlord and under the supervision of a consulting engineer, selected by Landlord in accordance with the remediation plan promulgated by an environmental consulting firm selected by Landlord. All costs and expenses of such Remedial Work shall be paid by Tenant including, without limitation, the charges of such contractor(s), the consulting engineer, the environmental consulting firm and Landlord's reasonable attorneys' fees and costs incurred in connection with monitoring or review of such Remedial Work. In the event Tenant shall fail to timely commence, or cause to be commenced, or fail to diligently prosecute to completion, such Remedial Work, Landlord may, but shall not be required to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith shall be Costs within the meaning of subsection 23(c) above. All such Costs shall be due and payable upon demand by Landlord.

(e) Survival. The provisions of this Section 23 shall be in addition to any other obligations and liabilities Tenant may have to Landlord at law or equity and shall expressly survive the expiration of the Term or other termination of this Lease.

24. Expenses.

(a) Tenant shall pay, on demand, all cost and expenses, including reasonable attorneys' fees, incurred either directly or indirectly by Landlord in enforcing any obligation (provided Landlord shall be the prevailing party) or curing any default by Tenant under this Lease or otherwise participating in any action or proceeding arising from the filing, imposition, contesting, discharging or satisfaction of any lien or claim of lien, in defending or otherwise participating in any legal proceedings initiated by or on behalf of Tenant. All such expenses shall be deemed to be Additional Rent and shall be payable on demand.

(b) Landlord shall pay, on demand, all cost and expenses, including reasonable attorneys' fees, incurred either directly or indirectly by Tenant in enforcing any obligation (provided Tenant shall be the prevailing party) or curing any default by Landlord under this Lease or otherwise participating in any action or proceeding arising from the filing, imposition, contesting, discharging or satisfaction of any lien or claim of lien, in defending or otherwise participating in any legal proceedings initiated by or on behalf of Landlord.

25. Signs.

Tenant may place or install such signs and/or awnings in, on or about the Premises (including, without limitation, both the interior and exterior surfaces of windows and doors), without obtaining Landlord's prior written approval, provided such signs and/or awnings do not violate any laws, ordinances, rules or regulations promulgated by any governmental body having jurisdiction, and are maintained at all times in good condition by Tenant at its own cost and expense in accordance with the aforesaid laws, ordinances, rules and regulations.

26. Guaranty. ARISTACARE, LLC, a New Jersey limited liability company, as guarantor (the "Guarantor") shall enter into the guaranty (the "Guaranty") attached hereto as Exhibit F. Guarantor hereby unconditionally and irrevocably guaranties the Landlord the due and punctual payment when due, whether by acceleration, prepayment, notice of prepayment or for any other reasons, and the due and proper performance, of all of the Tenant's obligations or liabilities under this Lease, and agrees to pay upon demand all Landlord's costs and attorney's fees, as described in the Lease hereof, whether incurred in determining, enforcing, or seeking damages on account of the breach of, the obligations of Tenant hereunder, or in determining, enforcing, or seeking damages on account of the breach of, the obligations of the Guarantors hereunder.

27. Option To Purchase.

Tenant hereby acknowledges that Landlord has granted Optionee the exclusive and irrevocable option to purchase the Leased Property upon the terms and conditions set forth in the Option Agreement and as set forth below (the "Option").

(a) Deposits. The sales price for the purchase of the Lease Property pursuant to the Option (the "Sales Price") shall be payable as follows:

(i) Landlord hereby acknowledges receipt of an initial deposit in the amount of One Million and No/100 Dollars (\$1,000,000.00) (the "Initial Option Deposit");

(ii) (A) within six (6) months of the Commencement Date, Optionee shall deposit into an account specified by Landlord, the amount of Seven Hundred and Fifty

Thousand and No/100 Dollars (\$750,000.00) payable in six (6) equal monthly installments of One Hundred and Twenty-Five Thousand and No/100 Dollars (\$125,000.00) with the first payment due on the Commencement Date and (B) the Accounts Payable Credit (as defined in the OTA) (collectively, the “Final Option Deposit”; the Initial Option Deposit and the Final Option Deposit, collectively, the “Total Option Deposit”); and

(iii) at the closing of the purchase of the Leased Property under the Option (the “Closing”), the Total Option Deposit (together with any amounts paid by Tenant on account of accounts payables assumed by Tenant) shall be applied to the Sales Price, and Tenant shall pay the balance of the Sales Price in cash by wire transfer or bank check as directed by Landlord, in writing, at least two (2) business days prior to the Closing. Landlord may direct Tenant, in writing, to pay a portion of the Sales Price at the Closing, in an amount or amounts reasonably specified by Landlord, to persons or entities other than Landlord for Landlord’s purposes.

(b) Exercise of the Option. The Option may be exercised by Optionee at any time during the Term (the “Option Term”) commencing on the Commencement Date through the last day of the Term, as may be extended (the “Expiration Date”) by sending an irrevocable notice to Landlord (the “Election Notice”), indicating that Optionee is exercising the Option and setting forth the date of the Closing (the “Closing Date”), which shall be no earlier than thirty (30) days from such Election Notice and no later than one hundred fifty (150) days after the date of the Election Notice, which Closing, in order to be effective, must occur on or prior to the Expiration Date. The parties acknowledge and agree that Optionee shall not be permitted to exercise the Option if this Lease is not then in full force and effect, due solely to the wrongful act or omission of Tenant. Upon the timely exercise of the Option by Optionee, the applicable provisions of the Option Agreement shall govern the conveyance of the Leased Property by Landlord to Tenant or its designee. Except as provided below, in the event that the Option is not exercised as hereinabove provided by the Expiration Date, the Option shall be null and void, Optionee shall be entitled to the return of the Total Option Deposit, and the Option Agreement shall be of no force and effect except for the provisions of the Option Agreement expressly stated to survive the expiration of the Option or the Closing. Notwithstanding the foregoing, if the Lease is terminated due to the failure by Optionee to exercise the Option on or prior to the last day of the Term, as may be extended, then the Total Option Deposit shall be non-refundable.

(c) Sales Price. The Sales Price for the Leased Property under the Option shall be as follows:

(i) if the Closing occurs at any time during the first five (5) years of the Option Term: Thirty Six Million Dollars (\$36,000,000.00);

(ii) if the Closing occurs during the sixth (6th) year of the Option Term: Thirty Six Million Five Hundred Thousand Dollars (\$36,500,000.00);

(iii) if the Closing occurs during the seventh (7th) year of the Option Term: Thirty Seven Million Dollars (\$37,000,000.00).

(e) Option Default. If, and only if: (i) Tenant has sent a second (2nd) Election Notice after having failed to proceed to Closing pursuant to a prior Election Notice; and (ii) fails, except as permitted under the Option Agreement or due solely to other than its own willful acts or omissions, to proceed to the Closing, then such failure shall be deemed to be an option default under the Option Agreement constituting an Event of Default under this Lease (the “Option Default”). Other than the Option Default, no default by Tenant, or breach by Tenant of any obligations, terms or conditions, under the Option Agreement shall constitute an Event of Default under this Lease unless said default is a listed Event of Default under Section 21 of this Lease.

(f) Bulk Sale Notice. In addition to the other customary terms and conditions, the Option Agreement shall provide that, in connection with the Closing, Landlord shall cooperate with Tenant in preparing and filing a Bulk Sale Notification with the Director of the Division of Taxation, New Jersey Department of Treasury (the “Bulk Sale Division”), and that the parties shall comply with all instructions set forth in any document received from the Bulk Sale Division, including the escrow by Tenant of a portion of the Sales Price pending receipt by Tenant of a tax clearance letter.

(g) Tenant’s Remedy Upon Lease Termination. If this Lease is terminated prior to the Expiration Date solely due to Landlord’s default, then Tenant’s remedy shall be such as set forth in the Option Agreement.

28. Subdivision/Condominium. Tenant acknowledges that the Landlord and its assigns reserve the right to subdivide or condomize the Premises to construct and develop a building having a footprint of 36,000 square feet on approximately two and one-half to three acres (the “Proposed Development”). Accordingly, at any time during the term of this Lease, the Landlord may subdivide or condomize the Premises and separate the Nursing Facility from the vacant land located to the front of the Nursing Facility (the “Vacant Lot”), which is identified on Exhibit G for the Proposed Development. In the event that the subdivision/condomizing of the Premises is not completed prior to Tenant’s exercise of the Option, Tenant shall be entitled to close on the Option, irrespective of the subdivision or condomization, and shall cooperate with Landlord subsequent to the closing of the Option to facilitate the subdivision and separation of the Vacant Lot or creating the condominium for the Premises, including the Vacant Lot. Prior to the subdivision, the record owner of the Premises and the record owner of the Vacant Lot shall enter into an easement, ingress and egress, and covenant and restriction agreement (the “Easement Agreement”), which shall create cross access easements between the Nursing Facility and the Vacant Lot and easements for parking and shared utilities, which shall be subject to the Tenant’s prior written consent in all respects. Should Landlord elect to condomize the Premises, the condominium shall include the cross easements set forth herein. In no event shall the Vacant Lot be used as a skilled nursing facility, assisted living facility, or any other form of elder care facility, and Tenant shall be entitled to all remedies available in equity or at law to enforce this use restriction, provided, however, that the Vacant Lot may be used as an independent senior living facility.

29. General Provisions.

(c) Captions. The captions or titles to the various sections of this Lease are for convenience and ease of reference only and do not define, limit, augment or describe the scope, content or intent of this Lease or of any parts thereof.

(d) Successors and Assigns. Each and every covenant and condition of this Lease shall be binding upon and shall inure to the benefit of the heirs, successors, personal representatives and permitted assigns of Landlord and Tenant; but this section shall in no way validate an assignment of all or any part of this Lease which is invalid under other provisions hereof.

(e) Severability. The invalidity or illegality of any provisions of this Lease shall not affect the remaining provisions thereof.

(f) Number and Gender. When used in this Lease, the singular number includes the plural, and the plural the singular, unless the context otherwise requires; the neuter gender includes the feminine and masculine, the masculine includes the feminine and neuter, and the feminine includes the masculine and neuter, and each includes a corporation, partnership, or other legal entity when the context so requires; and the word “person” means an individual or individuals, a partnership or partnerships, a corporation or corporations, or any combination thereof, when the context so requires.

(g) Joint and Several Obligations. If Tenant consists of more than one person, the obligation of all such persons is joint and several.

(h) Notices. Any notice or demand provided for in this Lease shall be in writing and shall be deemed delivered either: (i) when delivered in person to the recipient thereof; or (ii) by nationally recognized overnight courier; or (iii) on the date shown on the return receipt after deposit, or should the recipient thereof fail to sign the return receipt, then three days after deposit in the United States mail in a sealed envelope or container, registered or certified and postage prepaid, and addressed to the party to whom notice is hereby given at the address listed above, or to such other address as may be supplied by such party in writing.

If to Landlord:

Vishal Patel
1 Lincoln Highway, Suite 12
Edison, New Jersey 08820
Email: Antalarr@gmail.com

with a copy to:

Rajan Legal PC
3146 Route 27, Suite 202
Kendall Park, New Jersey 08824
Attention: Mahesh Rajan
Email: Mahesh@rajanlegal.com

If to Tenant:

c/o AristaCare Health Services
245 Birchwood Avenue
Cranford, New Jersey 07016
Attention: Heshy Klein
Email: Heshy@aristacare.com

with a copy to:

Gutnicki, LLP
4711 Golf Road, Suite 200
Skokie, Illinois 60076
Attn: Jeremy Meisel, Esq.
JMeisel@gutnicki.com

(i) Situs. The Lease shall be construed and interpreted according to the laws of the State of New Jersey.

(j) Recording of Lease. This Lease shall not be recorded.

(k) Force Majeure. If circumstances beyond the control of Landlord (such as acts of God, fires, strikes, power shortages, etc., - financial inability excepted) shall temporarily make it impossible for Landlord to perform under this Lease, then the principles of force majeure will apply and the rights and obligations of the parties will be temporarily suspended during the force majeure period.

(l) No Recourse. Notwithstanding anything to the contrary in this Lease, Tenant shall look solely to the interest of the Landlord in the Premises, as the case may be, for satisfaction of any remedy it may have hereunder or in connection herewith and shall not look to any other assets of the other or of any other person, firm or corporation. There shall be absolutely no personal liability on the part of any present or future stockholder, or any officer, director, trustee, member or affiliate of Landlord or any partners of such partnership or any of its successors or assigns with respect to any obligation hereunder or in connection herewith.

(m) Counterparts. This Lease may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

(n) Survival. All obligations of Tenant which shall not have been performed prior to the end of the Term or which by their nature involve performance, in any particular, after the end of the Term, or which cannot be ascertained to have been fully performed until after the end of the Term, shall survive the expiration or termination of the Term.

(o) Legal Representation. Each party to this Lease acknowledges that it has been represented by independent legal counsel of its own selection in connection with the negotiation, review and execution of this Lease.


(p) Amendments. This Lease shall not be modified, except by a writing signed by all of the parties hereto. No course of dealing between or among any persons having any interest in this Lease shall be deemed effective to modify or amend any part of this Lease, or any rights or obligations of any party under, or by reason of, this Lease.

(q) Venue and Acceptance of Service of Process. Each party to this Lease hereby agrees and consents that any legal action or proceedings with respect to this Lease shall only be brought in the courts of the State of New Jersey in the county where the Real Property is located. By execution and delivery of this Lease, each such party hereby (i) accepts the jurisdiction of the aforesaid courts; (ii) waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the venue set forth above; and (iii) further waives any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

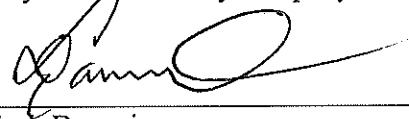
***** SIGNATURE PAGE IMMEDIATELY FOLLOWS *****

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

LANDLORD:
EDISON HEALTHCARE HOLDINGS LLC,
a New Jersey limited liability company

By: 
Name: Rakesh Antala
Title: Authorized Signatory

EDISON HEALTHCARE LLC,
a New Jersey limited liability company

By: 
Name: Nilesh Dasoni
Title: Authorized Signatory

TENANT:
EDISON ASSOCIATES LLC,
a New Jersey limited liability company

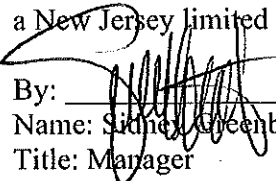
By: 
Name: Sidney Greenberger
Title: Manager

Exhibit A
Description of Land

The Land referred to herein below is situated in the Township of Edison, County of Middlesex, State of NJ, and is described as follows:

BEGINNING at a point in the division line between lands of Second Construction Corp., Inc. and lands of Henry Beloff, said division line being also the third course as described in a deed from Helen Hicks, widow to Second Construction Corp., Inc., dated March 10, 1950 and recorded on April 18, 1950 at the Middlesex County Clerk's Office in Book of Deeds 1490 on Page 486, said point being distant 104.44 feet as measured along the said third course of the above mentioned deed from Helen Hicks to Second Construction Corp., Inc. from the intersection of the second course and the third course as described in the above mentioned deed from Helen Hicks to Second Construction Corp., Inc.; thence running along the remainder of the third, fourth, fifth and sixth courses as described in the above mentioned deed from Helen Hicks to Second Construction Corp., Inc.

1. North 8 degrees 04 minutes 40 seconds West along lands conveyed by Jacob VanDoren and wife to Henry Beloff by deed dated July 6, 1926 and beyond a distance of 136.15 feet; thence
2. North 24 degrees 27 minutes 10 seconds West parallel with and distant 200 feet easterly as measured at right angles from the easterly line of Plainfield Avenue, as now established, a distance of 602.32 feet to the line of lands now or formerly Rivendell at Edison Associates, LLC; thence
3. North 63 degrees 31 minutes 40 seconds East along said last mentioned lands, 642.66 feet to a concrete monument at a corner of lands known as Edison Manor; thence
4. South 31 degrees 19 minutes 15 seconds East along the said last mentioned lands, 814.22 feet to the northerly line of Brunswick Avenue; thence
5. South 50 degrees 42 minutes 10 seconds West 37.84 feet to a point; thence
6. Along the northerly line of Brunswick Avenue, the following courses to wit; southwesterly on a curve to the right having a radius of 579 feet an arc length of 92.46 feet;
7. South 59 degrees 51 minutes 10 seconds West 135.13 feet to a point of curve;
8. Westerly and curving to the left with a radius of 561 feet and an arc length of 141.08 feet (The chord of said arc having a bearing of South 52 degrees 38 minutes 55 seconds West and a distance of 140.7 feet) to a point of tangent
9. South 45 degrees 26 minutes 40 seconds West 237.25 feet; thence
10. North 43 degrees 46 minutes 10 seconds West along a new line this day established through

lands of Second Construction Corp., Inc. 188.34 feet to a point; thence

11. South 81 degrees 55 minutes 20 seconds West along still another newly established line, 97.8 feet to the point and place of BEGINNING.

Tax Map Reference: Block No. 4, Lot No. 2-R3