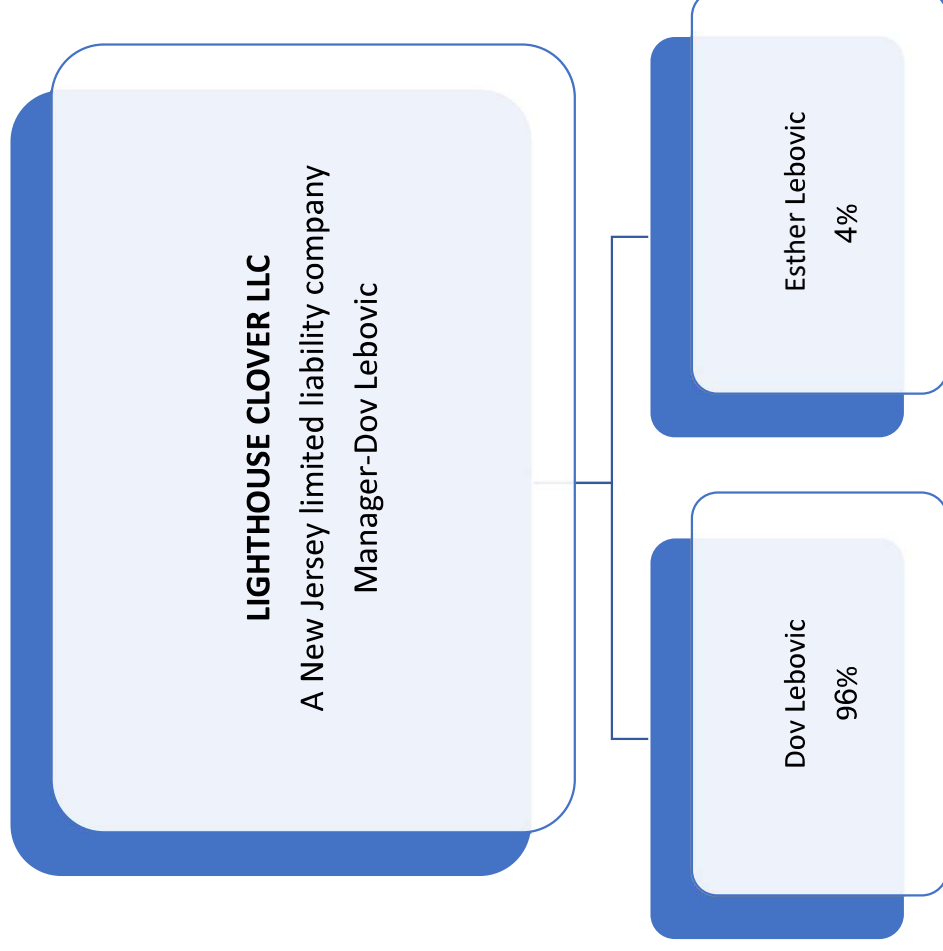


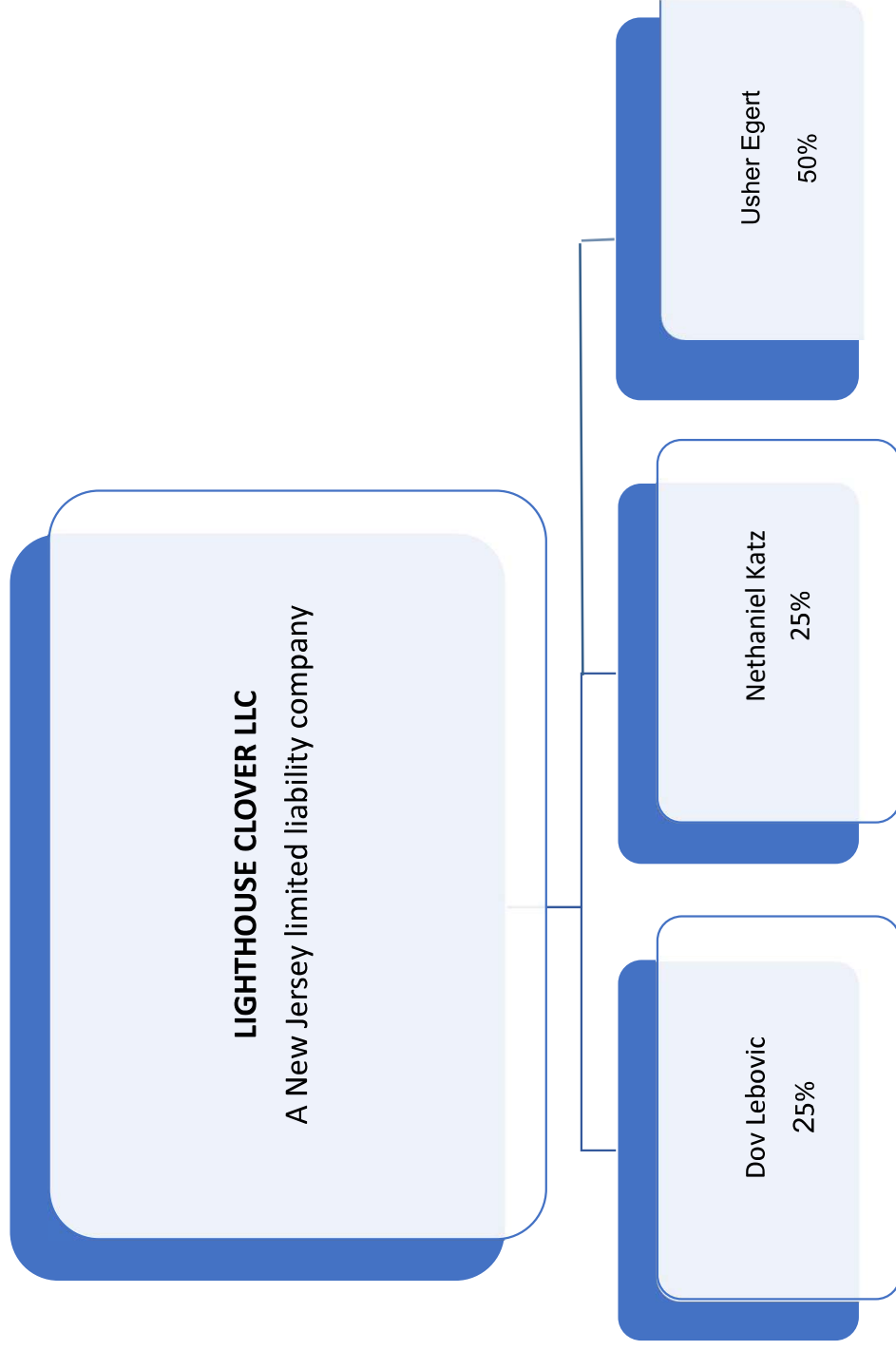
Clover Rest Home
28 Washington Street PO Box 212, Columbia, New Jersey 07832

Date Application Filed:	02/06/2025
Name of Facility:	Clover Rest Home
License No.	62104
Address:	28 Washington Street PO Box 212, Columbia, New Jersey 07832
County:	Warren
Project Description:	This application involves the Transfer of internal Ownership of Clover Rest Home. Please see attached Pre and Post CHOW org chart. The internal ownership of the Propco is also changing for COLUMBIA CARE CENTER REALTY LLC.
Licensed Capacity:	33 LTC Beds
Current License Owner:	See organizational chart on next page
Proposed Licensed Owner:	See organizational chart on next page
Proposed Management Company:	N/A
Owner of Real Estate:	COLUMBIA CARE CENTER REALTY LLC
New Jersey Experience:	No other facilities owned by new proposed owners
Location of stored medical records post-closing:	28 Washington Street PO Box 212, Columbia, New Jersey 07832

Post-Close Opco Org Chart



Pre-Close Opco Org Chart



CLOVER REST HOME
TOWNSHIP OF KNOWLTON, WARREN COUNTY, NEW JERSEY

OPERATING LEASE

THIS OPERATING LEASE ("Operating Lease") is entered into as of ___, 2025 by and between Columbia Care Center Realty LLC, a New Jersey limited liability company ("Landlord"), and Lighthouse Clover LLC, a New Jersey limited liability company ("Tenant").

RECITALS

A. Landlord is a party to that certain Lease Agreement dated as of ___, 2025 (as amended from time to time, the "Lease") whereby Landlord as "Tenant" leases the "Leased Premises" as described in the Lease (referred to herein as the "Lease Premises"). Capitalized words and terms used, but not defined, in the Lease shall have the meanings ascribed thereto in the Lease.

B. Landlord desires to lease to Tenant a portion of the Lease Premises, and Tenant desires to lease a portion of the Lease Premises from Landlord pursuant to the terms, conditions and covenants set forth herein.

C. Landlord is the owner of the real property, improvements, and personal property constituting the skilled nursing and/or assisted living facility known as Clover Rest Home and which real property owned by Landlord is more particularly described on Exhibit A attached hereto and made a part hereof (the property described in Exhibit A, together with the property and rights described herein, the "Real Property"), upon which certain buildings and improvements have been erected (the "Healthcare Facility").

D. The Landlord is refinancing the Leased Premises (as defined herein) with a loan (the "HUD Loan") from VIUM Capital Mortgage, LLC, an Ohio limited liability company (the "Lender") to be insured under the provisions of Section 232, pursuant to Section 223(f), of the National Housing Act, as amended, and the Regulations thereunder by the United States Department of Housing and Urban Development ("HUD") acting by and through the Secretary of Housing and Urban Development, his or her successors, assigns or designates. The provisions under this Lease that require approval of HUD shall apply so long as the HUD Loan shall be outstanding. In connection with the HUD Loan secured by the Healthcare Facility, the Landlord will be entering into a Healthcare Regulatory Agreement – Borrower (the "Borrower Regulatory Agreement") with HUD, and will be securing the HUD Loan with, among other things, a mortgage upon the Healthcare Facility and a security interest on personal property, including the furniture, fixtures and equipment owned by the Landlord, and/or Tenant and located at the Healthcare Facility. Furthermore, in connection with the HUD Loan, Tenant will be entering into a Healthcare Regulatory Agreement – Operator with HUD (the "Operator Regulatory Agreement" and the Borrower Regulatory Agreement, the "Regulatory Agreements"). Also in connection with the HUD Loan, Lender, Landlord, Tenant and others will be entering into a Subordination Agreement (the "Subordination Agreement"). All loan documents, mortgage notes, mortgages, security agreements, loan agreements, the Regulatory Agreements, the Subordination Agreement and any other documents evidencing, securing and or guaranteeing the HUD Loan, as amended, modified, supplemented, and/or restated from time to time, are referred to herein as the "HUD Loan".

Documents". In the event of any conflict between the terms of this Lease and the terms of any of the Regulatory Agreements, the terms of the Regulatory Agreements shall control. This Lease is intended to comply with the requirements of the National Housing Act and Sections 232 and 223(f) thereunder and all regulations promulgated pursuant thereto.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, promises, representations and warranties set forth herein and for Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged by the Parties, the Parties hereby agree as follows:

1. Incorporation of Recitals. The aforesaid Recitals A through D are hereby incorporated into this Lease as if fully set forth herein. The Landlord and Tenant are hereinafter sometimes individually referred to as a "Party" and collectively referred to as "Parties".

2. Lease.

(a) The Leased Premises are subject to the Lease and all covenants, conditions, restrictions, easements and other matters of record including the HUD Loan Documents and other matters which would be disclosed by an inspection of the Leased Premises or by an accurate survey thereof. Landlord represents that it has the full right, power and authority to enter into this Lease for the Term and the Leased Premises may be used by Tenant during the Term for the purpose herein stated, subject to the Lease and to any and all applicable legal, regulatory and administrative provisions relating to the use of the Leased Premises, including but not limited to pursuant to the terms of the HUD Loan Documents and applicable Program Obligations (as defined in the HUD Addendum attached hereto). Subject to the terms and conditions of the Lease, Tenant shall freely, peaceably and quietly have, hold and enjoy the sole and exclusive use and enjoyment of the Leased Premises or any part thereof, so long as Tenant shall pay the Rent (as hereinafter defined) and shall not be in default in the performance of any of the covenants and conditions to be performed by it as provided herein.

(b) An Event of Default with respect to any portion of the Lease Premises is an Event of Default hereunder with respect to the Leased Premises.

3. Certificate of Need. Landlord and Tenant acknowledge and agree that, subject to applicable law and the terms of the Lease and this Lease, (i) as between Landlord and Tenant, Landlord shall be the holder of any and all CONs related to the Healthcare Facility during the term of this Lease; and (ii) for so long as the HUD Loan is outstanding, any and all CONs (including any "bed authority") shall remain with the Healthcare Facility and shall not be transferred to any other facility or location. Tenant, its successors and assigns, hereby waive and release any right, title or interest Tenant may now or hereafter have in any CONs and covenants and agrees that it will never own, hold or otherwise claim any interest in any of the CONs, which CONs will not under any circumstances or conditions, whether now existing or hereafter arising, or whether beyond the present contemplation of the parties, or by contract or implication, ever be assigned, transferred or conveyed to Tenant, its successors or assigns. The provisions of this Section 3 shall survive termination of this Lease.

4. Intentionally Omitted.

5. Term of Lease. The term (the "Term") of this Lease shall commence on ___, 2024 ("Commencement Date") and shall continue through ___, 2050 (the "Expiration Date"). The term "Lease Year", as used herein, shall mean each consecutive period of twelve (12) consecutive calendar months commencing from the Commencement Date and continuing throughout the Term; provided, however, if the Commencement Date shall not occur on the first day of a month, the first Lease Year shall mean the first full twelve (12) calendar months occurring after the Commencement Date plus the remainder of the month in which the Commencement Date shall occur (such month is hereinafter referred to as the "Partial Month").

6. Cancellation. Upon any cancellation of the Lease with respect to the Leased Premises, this Lease shall be automatically cancelled simultaneously therewith. Without limiting the generality of the foregoing, this Lease may be canceled upon thirty (30) days written notice given to Landlord and Tenant by HUD in connection with the contract of mortgage insurance with HUD, for a violation of any of the provisions of the Tenant Regulatory Agreement or Operator Regulatory Agreement, unless the violation is corrected to the satisfaction of HUD within said thirty (30) day period.

7. Rents.

(a) Tenant shall pay to Landlord a fixed annual rent (the "Base Rent") in the amount of _____ Dollars /100 Dollars (\$_____) for each Lease Year in equal monthly installments of _____ /100 Dollars (\$_____). Each monthly installment of Base Rent will be paid in advance on or before the first day of each calendar month of the Term without deduction or offset.

(b) Tenant agrees to pay to (or on behalf of) the Landlord, as Additional Rent, all payments required pursuant to Sections 9 (tax reserves) and 14 (replacement reserves) of the Lease to the extent related to the Leased Premises or the HUD Loan. As used herein, "Additional Rent" means (i) any and all payments due from Landlord under the Lease with respect to the Leased Premises (except "Base Rent" payable under the Lease), including, but not limited to, payments due pursuant to Section 9 and/or 14 of the Lease and (ii) any and all payments due from Tenant under this Lease, except Base Rent. Initially, the Base Rent plus amounts payable by Tenant as Additional Rent is equal to _____ Dollars and 00/100 Dollars (\$_____.00) per year and notwithstanding anything herein, the Base Rent plus the Additional Rent shall be no less than _____ Dollars and 00/100 Dollars (\$_____.00) per year.

(c) If the Tenant fails to make any monthly payment of Base Rent and/or Additional Rent on or before the due date thereof, the Landlord may, at its option, impose a late charge upon the Tenant in an amount not to exceed five percent (5.0%) of the Base Rent and/or Additional Rent so delinquent.

(d) The obligations of Tenant to make payments of Base Rent and Additional Rent (collectively, "Rents") and all other payments required under this Lease shall be absolute and unconditional, without defense or set-off by reason of any default or other reason whatsoever, including by the Landlord under this Lease, the Lease or under any other agreement between the

Tenant, Landlord and/or the Lender, and, except as may be expressly provided herein, such payments shall not be decreased, abated, postponed, or delayed for any reason whatsoever, including, without limitation, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Leased Premises, the taking by condemnation of any part of the Leased Premises, commercial frustration of purpose, failure of the Landlord to perform and observe any agreement, whether expressed or implied, or any duty, liability or obligation arising out of or connected with this Lease or the Lease, or any defects in the Leased Premises or any failure of the Leased Premises to have been constructed in accordance with the plans and specifications therefor and/or applicable law, or failure of any resident or occupant of the Leased Premises to pay the fees, rentals or other charges owed to the Tenant, and irrespective of whether or not any such resident or occupant of the Leased Premises receives either partial or total reimbursement as a credit against such payment, it being the intention of the Parties that the payments required of the Tenant under this Lease will be paid in full when due without any delay or diminution whatsoever.

8. Payments of Rent. Tenant acknowledges that all of the interest of Landlord in and to this Lease has been or will be assigned to Lender pursuant to the HUD Loan Documents, and under the terms thereof, unless otherwise directed by Lender, all Base Rent, together with all impounds and deposits required to be funded under the applicable HUD Loan Documents with respect to the Healthcare Facility shall be paid by Landlord directly to Lender.

9. Escrow Deposits. Tenant shall pay to Landlord any and all amounts due from Landlord (as "Tenant") under Section 9 (tax deposits) of the Lease with respect to the Leased Premises on or before the date on which such amounts are due from Landlord thereunder. These payments include, but are not limited to, 1.05 times the sum of the annual requirements for (a) all escrows required under the HUD Loan Documents and/or applicable Program Obligations for Impositions, (b) reserves for replacements (other than any initial deposit upon closing of the HUD Loan), as set forth in Section 14 hereof, plus (c) the premiums for (i) FHA mortgage insurance, (ii) liability insurance and full coverage property insurance on the Leased Premises, and (iii) all other insurance coverages required under the HUD Loan Documents and/or applicable Program Obligations with respect to the Leased Premises.

10. Deficits. Tenant shall pay to Landlord any and all amounts due from Landlord (as "Tenant") under Section 10 (tax/insurance deficits) of the Lease with respect to the Leased Premises on or before the date on which such amounts are due from Landlord thereunder.

11. Security. All amounts deposited with Landlord pursuant to the provisions of Sections 9 and/or 10 of the Lease shall be held by Landlord as additional security for the payment and performance of the Tenant's obligations under this Lease and, upon the occurrence and during the continuance of any Lease Default (as hereinafter defined), Landlord may, in its sole and absolute discretion, apply such amounts towards payment or performance of such obligations.

12. Receipts. Tenant shall deliver to Landlord and Landlord copies of all notices, demands, claims, bills and receipts in relation to the Impositions and insurance premiums promptly upon receipt thereof by Tenant.

13. Maintenance and Repair; New Lease.

(a) This Lease is intended to be an entirely "net" lease, intending hereby to impose the burden of payment of all costs and expenses related to the use and occupancy of the Leased Premises during the Term upon Tenant. Tenant agrees to pay when due all Impositions, insurance premiums, utility charges, operating expenses, and maintenance and repair costs accrued or payable during the Term.

(b) Tenant shall, at its expense, maintain the Leased Premises in good order and repair at all times in compliance with all applicable Legal Requirements, all applicable Program Obligations and Section 13 of the Lease. Except for the obligation of Landlord to cooperate in the release of funds in the Healthcare Facility's Replacement Reserve Account as provided in Section 14 hereof, Landlord shall have no responsibility for any repairs or replacements, Tenant acknowledging that is leasing the Leased Premises "AS IS."

14. HUD Replacement Reserve. A Replacement Reserve Account shall be established and maintained with respect to the Healthcare Facility pursuant to Section 14 of the Lease. To the extent permitted by applicable Program Obligations and the terms of the applicable HUD Loan Documents, costs incurred by Tenant pursuant to Section 13 hereof may be paid from the Healthcare Facility's Replacement Reserve Account and, in connection therewith, Landlord will cooperate with requests by Tenant to draw upon the Healthcare Facility's Replacement Reserve Account to pay such costs.

15. Compliance with HUD's Requirements. Tenant shall maintain property insurance, general liability insurance and professional liability insurance that complies with all applicable Program Obligations. Additionally, Tenant shall maintain fidelity bond Insurance that complies with all applicable Program Obligations. Annually, Tenant shall provide to Landlord, HUD, and Lender, a certification of compliance with HUD's professional liability and fidelity insurance requirements.

16. Tenant Guaranty. As a condition of this Lease, Tenant agrees to enter into a Cross-Default Guaranty of Tenants in favor of Tenant (the "Guaranty"). Tenant acknowledges that the Guaranty is being assigned to the Landlord, or at Lender's direction, to Lender for the purpose of further securing Landlord's obligations to Lender under the HUD Loan Documents.

17. Changes in Licensure and Certification Status. In no event shall the Base Rent be reduced in the event the number of licensed beds at the Healthcare Facility is reduced. Landlord and Tenant acknowledge that the Leased Premises are, and at all times under the terms of the Lease will be, the sole and absolute property of the Landlord. Upon any termination of this Lease or any Lease Default by Tenant hereunder (which breach or default is not cured within any applicable grace period) or in the event that Landlord has the right to do so under Section 17 of the Lease, the Landlord shall have the sole, complete, unilateral, absolute and unfettered right to cause the Healthcare Facility's licenses to be reissued in the name of the Landlord or its designee upon application therefor to the applicable state licensing authority and to further have the right to have any and all Medicare, Medicaid and other provider and/or third party payor agreements issued in the name of the Landlord or its designee. In the event Landlord exercises its rights pursuant to this Section 17, Tenant shall cooperate with Landlord in transferring the aforementioned items to Landlord or its designee. Should Landlord be in default under its HUD Loan Documents, or should Lender, its successors or assigns, succeed to Landlord's rights under this Lease, Tenant

acknowledges that Lender, its successors and assigns, may exercise Landlord's rights under this Section 17.

18. Net Lease. This Lease is intended to be an entirely "net" Lease, intending hereby to impose the burden of payment of all costs and expenses related to the use and occupancy of the Leased Premises during the Term upon Tenant. Tenant agrees to pay when due all Impositions, insurance premiums, utility charges, operating expenses, and maintenance and repair costs accrued or payable during the Term.

19. Deposit Account Control Agreements. Tenant agrees to execute Deposit Account Control Agreements or other equivalent documents sufficient to comply with the requirements for perfection or proper evidence of a security interest in the deposit accounts identified in the Deposit Account Control Agreements as set forth in Section 9-104, or local equivalent, of the UCC by and among Lender, Tenant, and its depository bank (such documents are referred to herein as "Deposit Account Control Agreements"). Tenant shall not revoke or rescind the authorization as provided by such Deposit Account Control Agreements and any sweep agreements relating to Tenant's deposit accounts at any time without Lender's prior written consent.

20. Landlord's Personal Property. Upon the expiration or termination of this Lease, Tenant shall leave all personal property leased to Tenant hereunder, as repaired, rebuilt, replaced, restored, altered or added to as permitted or required by provision of this Lease, in or on the Lease Premises. Any and all restorations, alterations or replacements of, or repairs, reconstructions or additions to, the personal property at the Healthcare Facility made by Tenant shall become part of the Landlord's personal property, and any and all security interests (except in favor of Landlord and Lender) in the Landlord's personal property and financing statements shall be cleared, terminated and/or released to the satisfaction of Landlord at Tenant's expense. Any of Tenant's additions of software, licenses, proprietary information, policies, and procedures by the Tenant shall not become part of the Landlord's personal property, provided, however, upon request of Landlord, in consideration of a payment by Landlord or its designee of Ten Dollars (\$10.00) and any applicable lease, rent, or license fees owed to any third parties during the Transition Period (hereinafter defined), Tenant shall license to Landlord or its designee(s) the right to utilize Tenant's software and computer hardware for a period of ninety (90) days (the "Transition Period") in connection with the transition of operations from Tenant to Landlord's new operator(s). To the extent Tenant is obligated under license agreements with third party vendors supplying software and/or computer hardware to such Tenant, Tenant shall use its best efforts to arrange for Landlord to enter into licensing agreements with such third party vendors to allow Landlord or its designee to utilize such software and computer hardware supplied by such third party vendors for the duration of the Transition Period.

21. Tenant's Personal Property. At the termination of the Lease, Landlord shall have the right to purchase all or a portion of Tenant's personal property located at the Healthcare Facility, at its book value. To the extent any of Tenant's personal property is subject to an equipment lease, Landlord shall have the right to cause Tenant to pay in full all obligations under such equipment leases, or to assume some or all of such equipment leases at Landlord's sole cost and expense and at no additional liability to Tenant.

22. Tenant's Indemnification. During the Term of this Lease and after surrender of the Leased Premises in accordance with the terms hereof, Tenant shall protect, defend (at Landlord's request, which shall include the obligation to pay the reasonable attorneys' fees and costs of Landlord's attorneys), indemnify, protect, defend and hold harmless Landlord's and their respective shareholders, members, managers, officers, owners, directors, employees, agents, representatives, and Lender and their respective agents, executors, heirs, representatives and assigns, and any entity providing financing which is secured by the Leased Premises (collectively the "Landlord's Indemnitees"), from and against any claims, losses, costs, penalties, damages, charges and/or expenses (including reasonable attorneys' and consultants' fees) imposed or resulting from, arising out of or attributable in whole or in part to any of the following: (i) any violation (or alleged violation) of any Law, order of Governmental Authority, whether occasioned by the intentional act, omission, or negligence of Tenant or those holding under Tenant, (ii) any accident or other occurrence on or about the Leased Premises causing injury to any person or property whomsoever or whatsoever, including but not limited to resident care claims or elder abuse, during the Term of this Lease or at any other time at which Tenant (or any person or entity holding under Tenant) is in control or possession of the Leased Premises, (iii) any failure of Tenant in any respect to comply with or perform any material term, condition, covenant, requirement and/or provision of this Lease which is not cured within the applicable cure period, or a breach of this Lease which is not cured within the applicable cure period attributable to the Leased Premises or to Tenant, including, but not limited to, a breach of any of Tenant's representations and warranties under this Lease, and (iv) in any way relating to Tenant's use, operation and/or maintenance of the Healthcare Facility (including, without limitation, third-party claims, whether by the State where the Healthcare Facility is located, the United States, private insurers, private parties, for recoupment, false claims, or any other claims), assumption of and use by Tenant of Landlord's permits, variances, waivers or its possession of the Leased Premises.

23. Compliance with Laws and Regulations. Tenant shall use the Leased Premises solely as a licensed Medicare-certified and Medicaid-certified skilled nursing and/or assisted living facility with at least the number of licensed and certified beds existing on the Commencement Date and such other uses as may be approved from time to time by HUD and for no other purpose (the "Approved Use"). On or before the Commencement Date, Tenant shall have acquired and shall maintain all licenses, certificates, accreditations, approvals, permits, variances, waivers, provider agreements and other authorizations needed to operate any portion of the Leased Premises for the Approved Use (the "Permits and Approvals"). Tenant hereby covenants, warrants and represents to Landlord that as of the Commencement Date and throughout the Term: (a) Tenant shall be in compliance with, and shall ensure that the Healthcare Facility is at all times operated in accordance with the requirements of, the Permits and Approvals and any and all conditional use permits, other zoning approvals and any applicable environmental remediation plans; (b) continue to be validly licensed and Medicare-certified and (if applicable) Medicaid-certified to operate a skilled nursing and assisted living facility in accordance with the applicable rules and regulations of the State where the Healthcare Facility is located, federal governmental authorities and accrediting bodies, including, but not limited to, the United States Department of Health and Human Services ("DHHS"), CMS, and the applicable State agency; (c) Tenant shall be, and shall continue to be, certified by and the holder of valid provider agreements with Medicare and Medicaid issued by DHHS, the applicable State agency and/or CMS and shall remain so certified and shall remain such a holder in connection with its operation of the Healthcare Facility as a licensed and Medicare and Medicaid certified skilled nursing and assisted living facility; (c) Tenant shall be in

compliance with, and shall continue to be in compliance with and shall remain in compliance with (i) all Applicable Laws with regard to the operation of the Healthcare Facility, including, without limitation, compliance under Applicable Laws governing patient confidentiality and privacy and the confidentiality of medical records; and (ii) any and all conditional use permits, other zoning approvals and any applicable environmental remediation plans; (d) Tenant shall operate the Healthcare Facility in a manner consistent with high quality skilled nursing facilities and sound reimbursement principles under applicable third party provider or payor programs (including if and to the extent applicable Medicare and Medicaid), and as required under state and federal law; and (e) Tenant shall not abandon, terminate, vacate or fail to renew any Permits and Approvals which relate to the operation of the Healthcare Facility for its Approved Use, or in any way commit any act which will or may cause any such Permits and Approvals to be revoked by any Governmental Authority or accrediting body having jurisdiction thereof.

24. Notices, Rights, and Remedies of Lender.

(a) Tenant hereby agrees to give to Lender copies of all notices given by Tenant of default by Landlord under this Lease at the same time and in the same manner as, and whenever, Tenant shall give any such notice of default to Landlord. Lender shall have the right to remedy any default under this Lease, or to cause any default of Landlord under this Lease to be remedied, and for such purpose Tenant hereby grants Lender such period of time as may be reasonable to enable Lender to remedy, or cause to be remedied, any such default in addition to the period given to Landlord for remedying, or causing to be remedied, any such default which is a default. Tenant shall accept performance by Lender of any term, covenant, condition or agreement to be performed by Landlord under this Lease with the same force and effect as though performed by Landlord. No default under this Lease shall exist or shall be deemed to exist:

(i) as long as Lender, in good faith, shall have commenced to cure such default and shall be prosecuting the same to completion with reasonable diligence, subject to force majeure; or

(ii) if possession of the Leased Premises is required in order to cure such default, or if such default is not susceptible of being cured by Lender, as long as Lender, in good faith, shall have notified Tenant that Lender intends to institute proceedings under the HUD Loan Documents and, thereafter, as long as such proceedings shall have been instituted and shall prosecute the same with reasonable diligence and, after having obtained possession, prosecutes the cure to completion with reasonable diligence.

This Lease shall not be assigned by Tenant or modified, amended or terminated without Lender's prior written consent in each instance. In the event of the termination of this Lease by reason of any default thereunder or for any other reason whatsoever except the expiration thereof, upon Lender's written request, given within thirty (30) days after any such termination, Tenant, within fifteen (15) days after receipt of such request, shall execute and deliver to Lender or its designee or nominee a new lease or Lease of the Leased Premises for the remainder of the Term of this Lease upon all of the terms, covenants and conditions of this Lease. Neither Lender or its designee or nominee shall become liable under this Lease unless and until Lender or its designee or nominee becomes, and then only for so long as Lender or its designee or nominee remains, the fee owner of the Leased Premises or the owner of the leasehold interest of Landlord

under this Lease, (and the liability of any Lender or any designee or nominee shall be limited to their respective interests in the Leased Premises). Lender shall have the right, without Tenant's consent, to, as the case may be, foreclose its mortgage or to accept a deed in lieu of foreclosure of any such mortgage.

(b) In the event of any act or omission of Landlord which would give Tenant the right, immediately or after lapse of a period of time, to cancel or terminate this Lease, or to claim a partial or total eviction, Tenant shall not exercise such right (i) until it has given written notice of such act or omission to Lender, and (ii) unless such act or omission shall be one which is not capable of being remedied by Landlord or Lender within a reasonable period of time, until a reasonable period for remedying such act or omission shall have elapsed following the giving of such notice and following the time when Lender shall have become entitled under the HUD Loan Documents in connection therewith, as the case may be, to remedy the same (which reasonable period shall in no event be less than the period to which Landlord would be entitled under this Lease or otherwise, after similar notice, to effect such remedy).

25. Additional Lease Requirements.

(a) This Lease is subject to the Lease and the terms thereof.

(b) Notwithstanding anything herein to the contrary, the term of this Lease shall end one (1) day prior to the Expiration Date of the Lease, unless Landlord shall consent otherwise, which consent may be withheld in Landlord's sole and absolute discretion.

(c) Tenant will not do, authorize or execute any act, deed or thing whatsoever or fail to take any such action required to be taken by Tenant hereunder which will or may cause Landlord to be in violation of any of its obligations under the Lease.

(d) Tenant will not pay rent or other sums under this Lease for more than one (1) month in advance.

(e) Tenant shall give to Landlord at the address and otherwise in the manner specified in Section 39 of the Lease and to Lender, a copy of any notice of default by Landlord under this Lease at the same time as, and whenever, any such notice of default shall be given by the Tenant to Landlord.

(f) To the extent allowable by law, Tenant hereby grants to Landlord, Lender and HUD a security interest in all of its right, title and interest in Licenses and Provider Agreements and in Tenant's tangible and intangible personal property, accounts receivables and deposit accounts.

26. Management Agreement. Landlord acknowledges that Tenant may employ the services of an independent third party or an Affiliate of Tenant to provide management services relating to the operation of the Healthcare Facility pursuant to management agreements with such entity (each such independent third party or Affiliate, a "Management Agent") pursuant to a management agreement ("Management Agreement"). Tenant shall not enter into any Management Agreement unless the terms thereof, including but not limited to the maximum management fee

permitted thereunder, have been previously approved in writing by Landlord and HUD, and, if required by Applicable Law, by the state in which the Healthcare Facility is located. No Management Agreement may be entered into that does not conform to applicable Program Obligations. If required by Applicable Law, Tenant will also provide notice of any Management Agreement to the applicable State agency. Tenant shall not alter, amend, modify, surrender, cancel or terminate any Management Agreement or assign its/their rights or delegate its/their duties thereunder, without Landlord's and HUD's prior written consent, which consent shall not be unreasonably withheld. All management fees or other payments for services provided in connection with the operation of the Healthcare Facility, payable by Tenant shall be subordinated to all of the obligations of Tenant due under this Lease and to all of Landlord's claims under this Lease, and to the rights of Lender under the HUD Loan Documents. Upon the occurrence of a Default, Landlord and HUD shall each have the right to terminate any Management Agreement(s) then in effect and upon exercise of such termination right, at Landlord's or HUD's request, Tenant shall replace the Management Agent with a new Management Agent acceptable to Landlord and HUD pursuant to a Management Agreement acceptable to Landlord and HUD. Any Management Agreement shall include the foregoing provisions. Tenant shall agree to any change in the Management Agent of the Healthcare Facility, agree to any change in any approved Management Agreement, agree to the termination of any Management Agreement, or permit the Management Agent to assign the Management Agreement without the prior written approval of Landlord, Lender, and HUD in each instance. Any Management Agreement shall provide that Landlord shall be provided notice of any defaults thereunder and, at Landlord's option, an opportunity to cure such default; all in form and substance satisfactory to Landlord in its sole and absolute discretion. If Landlord shall cure any of Tenant's defaults under any Management Agreement, the cost of such cure shall be payable upon demand by Tenant to Landlord with interest accruing from the demand date at the Prime Rate and the Landlord shall have the same rights and remedies for failure to pay such costs on demand as for Tenant's failure to pay Rent. Tenant shall deliver to Landlord any instrument reasonably requested by Landlord to implement the intent of the foregoing provision. Simultaneously with and as a condition to entering into any such Management Agreement, Tenant shall cause Management Agent to execute Lender's form consent and subordination agreement, which shall contain terms and conditions customary in such document and transaction and satisfactory to Lender. Tenant acknowledges and agrees that any Management Agreement and any other agreements with a Management Agent shall conform to the provision of the Operator Regulatory Agreement.

27. Default by Tenant and Remedies of Landlord.

(a) Tenant shall be in default under this Lease upon the occurrence of any of the following events referred to herein individually or collectively as "Lease Default" or "Event of Default" (any reference to such event occurring or involving Tenant shall be deemed to include any such event occurring or involving any of Tenant's Management Agents):

(i) if Tenant fails to pay any installment of Rent within fifteen (15) days after the date when due;

(ii) if Tenant defaults in the prompt and full performance of any other of Tenant's covenants, obligations or agreements hereunder which are not specifically enumerated herein as a Lease Default and fails to correct such failure within thirty (30) days of receipt of

written notice from Landlord of such default (unless such default cannot reasonably be cured within thirty (30) days, in which event such period shall be extended for an additional thirty (30) days, provided Tenant shall have commenced in good faith to cure such default within the first such thirty (30) day period and shall proceed with all due diligence to correct such default thereafter);

(iii) if the Leasehold interest of Tenant shall be levied upon under execution or be liened or attached and such levy, lien or attachment is not removed or bonded over within sixty (60) days of the date Tenant receives notice of it;

(iv) in the event of a filing by or against Tenant of a petition under federal or state law pertaining to bankruptcy or insolvency or for a reorganization or other relief, which filing, if involuntary, is not dismissed within sixty (60) days of such filing;

(v) if Tenant shall admit in writing its inability to pay its debts generally as they become due;

(vi) if Tenant is adjudicated as bankrupt or a court of competent jurisdiction shall enter an order or decree appointing, without the consent of Tenant, a receiver of Tenant or of the whole or substantially all of its property;

(vii) if Tenant makes any general assignment for the benefit of creditors;

(viii) if Tenant abandons the Healthcare Facility or if, except as a result of damage, destruction or a partial or complete condemnation, Tenant voluntarily ceases operations at the Healthcare Facility or takes any steps to relinquish any of its licenses, permits or certifications;

(ix) if Tenant receives a state or federal notice of termination of license or "fast track" de-certification and such notice has not been suspended, extended, withdrawn or terminated within the time period required by the applicable Governmental Authority, unless Tenant or Tenant shall have appealed or challenged such notice, any enforcement actions are stayed pending such appeal or challenge and Tenant or Tenant is diligently pursuing such appeal or challenge and such appeal or challenge remains pending;

(x) if Tenant fails to maintain its qualifications for licensure as required by this Lease if failure to do so would result in an inability to operate the Healthcare Facility or would result in the appointment of a receiver or manager with respect to the Healthcare Facility;

(xi) except as permitted by this Lease, if any transfer or assignment of this Lease or Tenant's direct or indirect interest therein or a transfer of Tenant's direct or indirect equity ownership interests occurs without Landlord's, Lender's and HUD's consent;

(xii) if any malpractice award or judgment shall be entered against Tenant and such award or judgment (A) shall exceed any applicable malpractice insurance coverage and any applicable umbrella coverage by more than One Million Dollars (\$1,000,000.00); (B) has not been dismissed, discharged, vacated or bonded off within ninety (90) days after said entry; (C) enforcement proceedings shall have been commenced by any creditor

upon such award or judgment; (D) such award or judgment shall continue unsatisfied and in effect for a period of sixty (60) days after the commencement of such enforcement proceedings without an insurance company reasonably satisfactory to Landlord having agreed to fund such award or judgment in a manner reasonably satisfactory to Landlord; and (E) such award or judgment shall in the reasonable opinion of Landlord have a material adverse effect on the ability of Tenant to operate the Healthcare Facility;

(xiii) upon the denial, refusal to issue, or loss of any Permits and Approvals, unless Tenant or Tenant shall have appealed or challenged such denial, refusal or loss and any applicable termination is stayed pending such appeal or challenge, Tenant or Tenant is diligently pursuing such appeal or challenge and Tenant or Tenant provides Mortgagee with reasonable assurances satisfactory to Mortgagee that (A) the applicable appeal or challenge can be resolved within sixty (60) days, and (B) the Facility will not be subject to a license suspension and/or decertification during such appeal or challenge;

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

(xv) if any Governmental Authority having jurisdiction over the operation of the Healthcare Facility removes ten percent (10%) or more of the patients or residents who reside in the Healthcare Facility for violations of standards of care;

(xvi) Tenant fails to give Landlord, Lender and HUD (A) any notice required to be given to HUD pursuant to 24 CFR § 232.1015(a)(i) or any notice of "Immediate Jeopardy" (as such term is customarily used) or equivalent notice from any Governmental Authority or officer, acting on behalf thereof relating to a Healthcare Facility within two (2) business days after the date of receipt or (B) in cases not involving Immediate Jeopardy and not otherwise governed by clause (A), notice of receipt of the imposition of a denial of payment for new admissions or equivalent notice from any Governmental Authority or officer acting on behalf thereof relating to the Healthcare Facility within ten (10) days after the date of receipt;

(xvii) Tenant fails to cure or abate any Immediate Jeopardy or violation that could result in a denial of payment or equivalent violation occurring during the Term that is claimed by any Governmental Authority or any officer acting on behalf thereof, of any applicable Law to the operation of a the Healthcare Facility within the time period permitted by such Governmental Authority for cure or abatement. Notwithstanding the foregoing sentence, if such Immediate Jeopardy or violation has not been cured or abated prior to the imposition of a denial of payment sanction by any Governmental Authority, provided Tenant is actively and diligently pursuing the cure or abatement of the applicable violation or violations and the restoration of payments for new admissions, and Tenant provides Lender with assurances reasonably satisfactory to Lender that (A) the applicable violations can be cured within sixty (60) days, and (B) the Healthcare Facility will not be subject to a license suspension and/or decertification from failure to cure such violation on a more expedited basis, then Tenant's default hereunder for failing to cure or abate such Immediate Jeopardy or violation shall not be deemed an Event of Default;

(xviii) Tenant fails to notify Landlord within two (2) business days after receipt of any notice from any Governmental Authority, terminating or suspending or threatening termination or suspension of any material license or certification relating to a Healthcare Facility;

(xix) Intentionally omitted;

(xx) the creation of any indebtedness relating to or encumbering any portion of the Leased Premises without the prior written consent of Lender (other than trade payables which are not more than 30 days past due, not evidenced by a note and not in excess of One Million Dollars (\$1,000,000.00));

(xxi) the amendment, modification, restatement, termination or cancellation of any material contract relative to any Healthcare Facility, including but not limited to any Management Agreement, without Landlord's prior written consent;

(xxii) default or breach by a Tenant (or any other "Operator", as defined in the Lease) under a Guaranty beyond the expiration of any applicable cure period contained therein;

(xxiii) a default or breach of any of the provisions set forth in Section 30;

(xxiv) Tenant violates any term, covenant or condition of the Operator Regulatory Agreement which violation is not cured within thirty (30) days of written notice to Tenant;

(xxv) a default or material of the provisions set forth in Section 37;

(xxvi) Tenant fails or refuses to execute any certificate, document or agreement that Landlord, Lender, or HUD may reasonably request confirming the subordination required hereunder, or otherwise complying with the requirements of Section 34 below, within ten (10) days after Tenant's receipt thereof; or

(xxvii) an Event of Default by Landlord under the Lease or an Event of Default by any other "Operator" (as defined in the Lease) under any other "Lease" (as defined in the Lease).

Upon the occurrence of a Lease Default, subject to applicable notice and cure periods, Landlord shall have all of the rights and remedies that would be available to Landlord in the event of a "Lease Default" under the Lease.

(b) In the event of any Lease Default or termination of this Lease, Tenant covenants and agrees that Tenant shall not sell, move, surrender, cancel, modify, transfer, assign, relocate, pledge, grant a security interest in, convey or in any other manner encumber the personal property, the certificate of need approval or any licensed or Medicare and/or Medicaid certified beds at the Healthcare Facility, or attempt at any time to do same.

(c) In the event of termination of this Lease by reason of any Lease Default by Tenant, or upon the expiration of the Term, then, and in any of such events, Tenant, upon

Landlord's and/or Tenant's written request, shall to the greatest extent permitted by law, transfer to Landlord, or its designees or assigns, or cause its Affiliates, to transfer to Landlord, or its designees or assigns, the following: (i) all Permits and Approvals; and (ii) the name of the Healthcare Facility as then known to the general public. Tenant shall also prepare and file all notices required by applicable law in connection with such termination and shall also prepare and timely file all final Medicare and Medicaid cost reports. In the event Tenant or any Management Agent fails or refuses to transfer any Permits and Approvals, or trade name, then this provision shall constitute an act of assignment by Tenant and/or any Management Agent to the Landlord or its designees or assigns without the necessity of any further written instrument. For this purpose Tenant constitutes and appoints Landlord its true and lawful attorney-in-fact with full power of substitution to complete or undertake such replacements in the name of Tenant. Such power of attorney shall be deemed to be a power coupled with an interest and cannot be revoked.

Tenant acknowledges that Landlord is collaterally assigning its rights under this subsection to Lender to further secure Landlord's obligations to Lender under the HUD Loan Documents, and Lender shall be empowered to exercise all rights of Landlord granted hereunder. Accordingly, to the extent Tenant constitutes or appoints Landlord as its true and lawful attorney-in-fact with full power of substitution hereunder, Tenant further constitutes and appoints Lender its true and lawful attorney-in-fact with full power of substitution to complete and undertake all rights otherwise granted to Landlord hereunder, to act in the name of Tenant to transfer all Permits and Approvals and the transition of same to a new operator.

(d) Landlord shall have the option of taking over the operation of the Healthcare Facility, or having the operation of the Healthcare Facility taken over by a designee, in the event of a termination of this Lease and the Lease for any reason, without Landlord or designee assuming any of Tenant's liabilities or obligations. Landlord shall give Tenant written notice of Landlord's intent to exercise the right set forth above, in which event, upon the approval of the applicable state agency of the Change of Ownership, Tenant shall and shall cause the applicable Management Agent to immediately turn over possession and control of the Healthcare Facility without any further action having to be taken on the part of Landlord. At the request of Landlord, Tenant shall and shall cause the applicable Management Agent to turn over any or all of the inventories, personal property (including computer and telecommunications equipment but excluding any leased equipment) vehicles, and material contracts (including hospital, transfer, vendor, and managed care contracts).

28. Additional Remedies. In addition to all other remedies given to Landlord at law or in equity, Landlord, its successors and assigns, may by written notice to Tenant, without terminating this Lease, install a manager and/or management consultant and/or a receiver of its choice, at Tenant's sole cost and expense, or reenter the Leased Premises by summary proceedings or otherwise.

29. Facility Operating Deficiencies. On written notice of a request therefor by Landlord to Tenant, upon the occurrence of a deficiency in the conduct of the operation of the Healthcare Facility which results in the imposition of a denial of payment for new admissions, denial of Medicare and/or Medicaid payments for all residents or a notice of the proposed decertification, suspension or termination of the Healthcare Facility from participation in Medicare, Medicaid or other governmental reimbursement programs or of the non-renewal,

suspension or termination of the Healthcare Facility's Medicare, Medicaid or other governmental reimbursement provider agreement (a "Facility Operating Deficiency") specified with particularity in Landlord's notice, and for a period of time necessary to fully remedy a Facility Operating Deficiency, and if Tenant fails to commence and/or complete such remedy within the permitted period of time given by the applicable Governmental Authority, Tenant shall engage the services of a management consultant, unaffiliated with Tenant and approved by Landlord and Lender, to review the management of the Healthcare Facility for the purpose of making recommendations to remedy a Facility Operating Deficiency(ies). Subject to applicable Legal Requirements governing confidentiality of patient records, the management consultant shall have complete access to the Healthcare Facility, its records, offices and facilities, in order that it may carry out its duties. Tenant shall cause such management consultant to prepare and deliver to Lender, Landlord, and Tenant a written report of its recommendations within thirty (30) days after its engagement. If Tenant shall fail to designate a management consultant approved by Landlord and Lender as provided above within ten (10) days after Tenant's receipt of the Landlord's notice, Landlord may designate such management consultant by further notice to Tenant. Tenant shall be responsible for payment of all fees and expenses reasonably charged and incurred by the management consultant in carrying out its duties. Tenant shall promptly implement, or cause to be implemented, any and all reasonable recommendations made by such management consultant in order to promptly correct or cure such Facility Operating Deficiency; provided, however, that in no event shall Tenant implement any such recommendations if the same would constitute a violation of applicable legal requirements or would otherwise cause a Lease Default hereunder (e.g., a transfer or change in use of the Healthcare Facility), unless Landlord consent in writing thereto, which consent may be given or withheld in Landlord's and sole and absolute discretion. Nothing herein shall impose any liability or obligation on Landlord to (a) request the appointment of a management consultant or (b) otherwise remedy any Facility Operating Deficiency(ies) nor shall it deem the Landlord an operator of the Healthcare Facility.

Tenant acknowledges that Landlord and Facility Landlord are assigning their respective rights hereunder to Lender so that Lender, instead and in place of the Landlord, may exercise the Landlord's remedies under this Section 29 in Lender's sole and exclusive discretion. Nothing herein shall impose any liability obligation on Lender to (a) request the appointment of a management consultant or (b) otherwise remedy any Healthcare Facility Operating Deficiency or Deficiencies nor shall it deem the Lender an operator of the Healthcare Facility.

30. SPE Provisions. At all times during the term of this Lease, Tenant represents, warrants and covenants that Tenant, and all successors and assigns of Tenant, is, shall be and shall continue to be a "Special Purpose Entity" as defined in Program Obligations. The Operating Agreement of Tenant shall include the Special Purpose Entity provisions set forth in the Program Obligations.

31. No Third Party Beneficiaries. This Lease is solely for the benefit of Landlord, and their respective successors and assigns, including Lender and HUD, and Tenant, and nothing contained herein shall confer upon any person other than Tenant, Landlord (and the Lender and HUD) or their respective successors and assigns, any right to insist upon or to enforce the performance or observance of any of the obligations contained herein, except only as may be otherwise specifically provided for in this Lease. All conditions to the obligations of Landlord to advance or make available proceeds of insurance or condemnation are imposed solely and

exclusively for the benefit of Landlord, its successors and assigns. No other person or entity shall have standing to require satisfaction of such conditions in accordance with their terms, and no other person or entity shall, under any circumstances, be a beneficiary of such conditions, any or all of which may be freely waived in whole or in part by Landlord at any time, if in Landlord's sole and absolute discretion, Landlord deems it advisable or desirable to do so.

32. Licenses and Transfer of Operations. Upon the expiration or earlier termination of the Term, subject to Applicable Laws, Tenant shall, and shall cause its Management Agent(s), if any, to transfer to Landlord's nominee, or Landlord's successors and assigns, the fully operational Healthcare Facility and shall cooperate with Landlord or Landlord's designee or nominee in connection with the processing by Landlord or Landlord's designee or nominee of any applications for all Permits and Approvals, all contracts, including contracts with all Governmental Authorities or quasi-governmental entities, and, if requested by Landlord, financial and accounting records, business records, data, employee and/or personnel records, patient and resident records, and patient and resident trust accounts, which may be necessary or useful for the operation of the Healthcare Facility; provided that the reasonable costs and expenses of any such transfer or the processing of any such application shall be paid by Landlord or Landlord's designee or nominee. With respect to patient and resident funds, Tenant shall, and shall cause any Management Agent to, prepare and submit to Landlord or its designee a true, correct, and complete accounting and inventory (properly reconciled) of any patient and resident trust funds and patient and resident property to be transferred to Landlord or its designee. Tenant shall not, and shall not permit any Management Agent to, commit any act or be remiss in the undertaking of any act that would jeopardize the Permits and Approvals of the Healthcare Facility, and Tenant shall, and shall cause its Management Agent(s), if any, to comply with all requests for an orderly transfer of the same, and all Medicare and Medicaid provider agreements, upon the expiration or early termination of the Term, including, but not limited to, upon the request of Landlord or its designee, the transitioning of employees in compliance with Applicable Laws. Without limiting the generality of the foregoing, if requested by Landlord or a replacement operator for the Healthcare Facility, subject to Applicable Laws, Tenant hereby agrees to enter into a reasonable operations transfer agreement with such replacement operator and expressly agrees to assign its provider agreements to said replacement or successor operator. Tenant shall not unreasonably withhold, condition or delay its consent to entering into any interim leases or Management Agreements or operations transfer agreement as may be necessary to effectuate an early transfer of the operations of the Healthcare Facility prior to the time that such replacement operator holds all Permits and Approvals. In addition, upon request, Tenant shall, and shall cause any Management Agents to, promptly deliver copies to Landlord or Landlord's designee of all books and records relating to the Healthcare Facility and operations thereon (including inventories, patient and resident records and health related documentation, employee lists and personnel records, and policies and procedures manuals, provided that delivery of employee, personnel, patient, and resident records and health related documentation shall be made in compliance with Applicable Laws). Tenant shall allow Landlord or a proposed replacement operator for the Healthcare Facility to utilize Tenant's and Management Agents' computer hardware and software for a minimum of ninety (90) days to facilitate the transfer of operations, the collection of accounts receivables, the billing of providers, and the provision of patient and resident care. Tenant shall indemnify, defend, protect and hold harmless Landlord from and against any loss, damage, cost or expense incurred by Landlord or Landlord's designee or nominee in connection with the correction of any and all deficiencies of a physical

nature identified by any Governmental Authority responsible for licensing the Healthcare Facility in the course of any change of ownership inspection and audit.

33. Tenant Cooperation. Tenant agrees to reasonably cooperate with Landlord in providing, and upon request by Landlord, or Lender, Tenant shall provide such documents, information, financial reports, and such other items as may be reasonably required by Lender or HUD. In connection with the closing of the HUD Loan, Tenant agrees to cause its outside counsel to provide updated healthcare opinions in the form required by Lender and HUD in connection with the healthcare operations by Tenant at the Healthcare Facility, and if required by Lender, an opinion of counsel as to the due formation of Tenant and due execution by said parties, and as to the enforceability of the Lease, Guaranty, and any other documents executed by such parties in connection with the loan(s) from Lender to Landlord or in connection with any permitted accounts receivable financing. Tenant agrees to execute the Subordination Agreement in form and substance required by Lender and HUD. Tenant further agrees to cooperate with Landlord and Lender. Tenant shall use its best efforts to cause its depository banks to enter into Deposit Account Control Agreements as may be required by HUD.

34. HUD Loan.

(a) HUD Addendum. Landlord and Tenant agree to be bound by the terms of the HUD Addendum to Operating Lease attached hereto as Schedule 34 and incorporated herein by reference (the "HUD Addendum").

(b) Additional Covenants of Tenant.

(i) Tenant shall not reduce or expand, allow to be reduced or expanded, or cause the expansion or reduction of the bed capacity of the Leased Premises from its licensed capacity as set forth in Schedule 1 to the Lease without the prior consent of Landlord, Lender, and HUD.

(ii) Landlord, Lender and HUD shall be furnished by Tenant, within thirty (30) days after being called upon to do so, with financial reports to the extent required under, and in compliance with, the Operator Regulatory Agreement, including, without limitation, the submission of annual financial statements within sixty (60) days after the end of Tenant's fiscal year pursuant to Section 20 of the Operator Regulatory Agreement.

(iii) The Leased Premises and the books, records, documents and other papers relating to the Leased Premises and its operation shall at all times be maintained by Tenant. Tenant shall maintain books, records, documents, and papers, in reasonable condition for proper audit and subject to examination and inspection at any reasonable time by HUD or his/her duly authorized agents. Tenant and their Management Agents shall keep copies of all written contracts or instruments which affect the Leased Premises, all or any of which may be subject to inspection and examination by HUD or his/her duly authorized agents, the Lender and/or Landlord.

(iv) Tenant shall not enter into and shall cause its Management Agent not to enter into, any management agreement or administrative services agreement involving the

Leased Premises, unless such agreement is approved by HUD and such agreement contains a provision that, in the event of default under any of the Regulatory Agreements, such agreement shall be subject to termination without penalty upon request of HUD. Upon such request, Tenant shall immediately arrange and shall cause its Management Agent to immediately arrange, to terminate any such agreement within a period of not more than thirty (30) days and shall make arrangements satisfactory to HUD for continuing proper management of the Leased Premises.

(v) Tenant shall fully comply and shall cause its Management Agent to fully comply, with the provisions of (A) any State or local laws prohibiting discrimination in housing on the basis of race, color, creed or national origin, and (B) with the Program Obligations providing for non-discrimination and equal opportunity in housing. It is understood and agreed that failure or refusal to comply with any such provisions shall be a proper basis for HUD to take any corrective action he may deem necessary including, but not limited to, the refusal to consent to a further renewal of the Lease or this Lease, the rejection of applications for HUD mortgage insurance, and the refusal to enter into future contracts of any kind with which Tenant is identified, and further, HUD shall have a similar right of corrective action with respect to any individuals who are officers, directors, managers, members, partners or principal stockholders of Tenant, and with respect to any other type of business association or organization with which the officers, directors, trustees, managers, partners, associates or principal stockholders of Tenant may be identified.

(vi) Tenant shall, during the Term of this Lease, maintain, at its cost, in full force and effect, and observe and promptly comply with all present and future laws, regulations, and rules applicable to (A) the licenses required to operate the Healthcare Facility for the Approved Use (collectively, the "Licenses"), (B) all Medicare and Medicaid provider agreements associated with the operation of the Leased Premises ("Provider Agreements"); and (C) to the extent such CONs are not owned by the Landlord, all CONs, if any, with respect to the Leased Premises. Tenant shall provide to HUD copies of all Licenses and Provider Agreements.

(vii) Payments by Tenant to Landlord shall be sufficient to pay all mortgage payments including payments for Impositions and insurance, payments to reserves for replacements, and to take care of necessary maintenance with respect to the Leased Premises. If at the end of any calendar year, or any fiscal year if the Leased Premises operates on the basis of a fiscal year, payments made under this Lease have not been sufficient to take care of the above items, the Landlord and Tenant upon request in writing from HUD shall renegotiate the amounts due under this Lease so that such amounts shall be sufficient to take care of such items; HUD shall be furnished by the Tenant, within thirty (30) days after being called upon to do so, with a financial report in form satisfactory to HUD covering the operations of the mortgaged property which is the subject of the HUD Loan and of the Leased Premises.

(viii) Tenant shall maintain in good repair and condition any parts of the Leased Premises for the maintenance of which Tenant is responsible under the terms of this Lease.

(ix) Tenant shall not reconstruct or demolish any part of the Leased Premises or subtract from any real or personal property of the Leased Premises.

(x) If a default is declared by HUD under the Borrower Regulatory Agreement, a copy of the notice of default having been given to Tenant, the Tenant will thereafter make all future payments under this Lease to HUD or Lender as outlined in the Borrower Regulatory Agreement.

(xi) While the HUD Loan is outstanding, in addition to observing the terms and conditions contained in this Section 34, Tenant shall observe and perform the other terms and conditions under this Lease to the extent they are (A) not inconsistent therewith or (B) more stringent than the terms and conditions under this Section 34. In the event of any conflict between the terms and conditions of this Section 34 and any other terms and conditions of this Lease, the terms and conditions of this Section 34 shall control.

(c) Subordination of Lease to the Security Instrument, Regulatory Agreements, Program Obligations, and the Subordination Agreement. This Lease and all estates, rights, options, liens and charges therein contained or created under this Lease, and the Guaranty, are and shall be subject and subordinate to the lien of (i) the mortgage on the Landlord's interest in the Leased Premises in favor of Lender and to all renewals, modifications, consolidations, replacements and extensions thereof, and to all advances made or to be made thereunder, to the full extent of amounts secured thereby and interest thereon, (ii) the Borrower Regulatory Agreement executed by the Landlord, (iii) the Operator Regulatory Agreement, and (iv) the rights duties and obligations of the various parties set forth in that certain Subordination Agreement of even date with the Regulatory Agreements referenced above, executed by Facility Landlord, Lender, Tenant, and others, and acquiesced to by HUD (the "Subordination Agreement"). In the event of an inconsistency between the Lease and/or this Lease on the one hand, and the Subordination Agreement on the other hand, the Subordination Agreement shall control. The subordination provisions of this Section 34(c) shall be self-operative with no further documentation required. However, the parties to this Lease agree to execute and deliver to Lender, and/or HUD such other instrument or instruments as Lender, Secretary and/or HUD, or their respective successors or assigns, shall request to effect and/or confirm the subordination of this Lease to the lien of the Security Instrument, and the Regulatory Agreements. To the extent that any provision of this Lease shall be in conflict with the provisions of the HUD Loan Documents or any applicable section of Section 232 of the National Housing Act, and/or other program guidance applicable to Section 232, the provisions of the HUD Loan Documents, the provisions of Section 232 of the National Housing Act, and/or other program guidance applicable to Section 232, as the case may be, shall be controlling.

35. Insurance Proceeds. In the event of damage or destruction to the Leased Premises, the decision to repair, reconstruct, restore or replace the Leased Premises shall be made by Landlord in accordance with the terms of the HUD Addendum.

36. Eminent Domain. The proceeds of any condemnation award or other compensation paid by reason of a conveyance in lieu of the exercise of such power, with respect to the Leased Premises or any portion thereof shall be the property of the Landlord and shall be applied by Landlord in accordance with the terms of the HUD Addendum. Tenant shall, however, be entitled to recover any amounts payable to it for moving expenses, loss of personal property, and the like so long as they do not affect the Landlord's award.

37. Notice. Any notice, demand or communication required, permitted or desired to be given hereunder shall be in writing and shall be deemed effectively given when personally delivered or mailed by prepaid certified mail, return receipt requested, or when sent by nationally-recognized overnight carrier addressed as follows:

To Landlord: Columbia Care Center Realty LLC
2914 Avenue L
Brooklyn, NY 11210
Attention: Dov Lebovic

To Tenant: Lighthouse Clover LLC
2914 Avenue L
Brooklyn, NY 11210
Attention: Dov Lebovic

To Lender: VIUM Capital Mortgage, LLC
330 West Spring St., Suite 330
Columbus, Ohio 43215
Attention: Loan Servicing

To HUD: U.S. Department of HUD
Office of Residential Care Programs
451 7th Street S.W., Room 9230
Washington, DC 20410

[See Following Page for Signatures]

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

LANDLORD:

COLUMBIA CARE CENTER REALTY LLC,
a New Jersey limited liability company

By: _____
Dov Lebovic, Manager

TENANT:

LIGHTHOUSE CLOVER LLC,
a New Jersey limited liability company

By: _____
Dov Lebovic, Manager

EXHIBIT A

[Legal Description of Real Estate]

All that certain Lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of Knowlton, County of Warren, State of NJ :

Beginning at a point of intersection of the easterly sideline of Washington Street with the northwesterly sideline of Green Street, and from thence running:

1. North 31 degrees 15 minutes 00 seconds West a distance of 120.00 feet along the easterly sideline of Washington Street to a corner of land now/formerly of Susan Albano running; thence
2. North 58 degrees 45 minutes 00 seconds East a distance of 210.00 feet to a corner of land now/formerly of Michael T. Gesner running; thence
3. South 31 degrees 15 minutes 00 seconds East a distance of 120.00 feet to the southwesterly sideline of Green Street running; thence
4. Along the westerly sideline of Green Street South 58 degrees 45 minutes 00 seconds West 210.00 feet to the point and place of BEGINNING.

As shown on ALTA/NSPS Land Title survey by Robert J. Winnicki, P.L.S., Blew & Associates New Jersey LLC, dated November 18, 2024, last revised _____, Job No. 24-8560.

Note: Being Lot(s) 8, 7.01, Block 20, Tax Map of the Township of Knowlton , County of Warren. Property Address: 28 Washington Street, Knowlton Township, NJ 07832

Note: Lot and Block shown for informational purposes only.

Schedule 34

See attached.

**Operator Lease
Addendum
Section 232**

**U.S. Department of Housing
and Urban Development**
Office of Residential
Care Facilities

OMB Approval No. 2502-0605
(exp. 01/31/2026)

Public reporting burden for this collection of information is estimated to average 0.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The information is being collected to obtain the supportive documentation that must be submitted to HUD for approval, and is necessary to ensure that viable projects are developed and maintained. The Department will use this information to determine if properties meet HUD requirements with respect to development, operation and/or asset management, as well as ensuring the continued marketability of the properties. Response to this request for information is required in order to receive the benefits to be derived from the National Housing Act Section 232 Healthcare Facility Insurance Program. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number. While no assurance of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information Act request.

Warning: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012; 31 U.S.C. §3729, 3802).

This Operator Lease Addendum, dated as of , 2025, is attached to and made a part of that certain Operator Lease dated , 2025, entered into by Lessor and Lessee, and amends and/or supplements the Operator Lease. The operator lease and this Operator Lease Addendum are collectively known as the “**Operator Lease**.” For so long as HUD is the holder or insurer of any indebtedness secured by the Healthcare Facility (as defined below), the provisions of this Operator Lease Addendum shall apply to the Operator Lease. In the event of any conflict between the terms of this Operator Lease Addendum and any other provision in the Operator Lease, the terms of this Operator Lease Addendum shall govern and control.

Covenants. Lessor and Lessee covenant and agree as follows:

I. DEFINITIONS.

1. DEFINITIONS. Any capitalized term or word used herein but not defined shall have the meaning given to such term in the Borrower’s Security Instrument. The following terms, when used in this Operator Lease Addendum (including when used in the above recitals), shall have the following meanings, whether capitalized or not and whether singular or plural, unless, in the context, an incongruity results:

“**Accounts Receivable**” has the meaning set forth in the Borrower’s Security Instrument.

“**Approved Use**” has the meaning set forth in the Operator’s Regulatory Agreement.

“**Bed Authority**” means the licensed number of beds for a Healthcare Facility as authorized under the Healthcare Requirements.

“**Borrower**” means COLUMBIA CARE CENTER REALTY LLC, a New Jersey limited liability company. When there is no Master Lease, Borrower is also the Lessor.

“Borrower’s Regulatory Agreement” means that certain Healthcare Regulatory Agreement – Borrower relating to the Project and entered into by Borrower for the benefit of HUD.

“Borrower’s Security Instrument” means that certain Healthcare Mortgage, Assignment of Leases and Rents and Security Agreement (New Jersey), from Borrower in favor of Lender with respect to the Project securing the Loan, and any amendments and supplements thereto.

“CON” means collectively all Certificates of Need and Certificate of Need reports under Healthcare Requirements authorizing and permitting the use of the Healthcare Facility for its Approved Use.

“FF&E” means furnishings, fixtures and equipment of all kind used in connection with the Healthcare Facility including additions, substitutions and replacements thereto.

“Healthcare Facility” means that certain healthcare facility authorized to receive insured mortgage financing pursuant to Section 232 of the National Housing Act, as amended, that is the subject of the Operator Lease.

“Healthcare Requirements” means, relating to the Healthcare Facility, all federal, state, county, municipal and other governmental statutes, laws, rules, orders, regulations, ordinances, judgments, decrees and injunctions or agreements, in each case, pertaining to or concerned with the establishment, construction, ownership, operation, use or occupancy of the Healthcare Facility or any part thereof as a healthcare facility, and all material permits, licenses and authorizations and regulations relating thereto, including all material rules, orders, regulations and decrees of and agreements with healthcare authorities pertaining to the Healthcare Facility.

“HUD” means the U.S. Department of Housing and Urban Development.

“Intercreditor Agreement” is defined in Section 12.

“Lender” means VIUM CAPITAL MORTGAGE, LLC, a limited liability company organized and existing under the laws of Ohio, and any future holder of the Borrower’s Security Instrument.

“Lessee” means LIGHTHOUSE CLOVER LLC, a limited liability company organized and existing under the laws of New Jersey, together with any successors, heirs and assigns (jointly and severally). Lessee may sometimes be referred to as a “tenant” under the terms of the Operator Lease.

“Lessor” means COLUMBIA CARE CENTER REALTY LLC, a limited liability company organized and existing under the laws of New Jersey, together with any successors, heirs and assigns (jointly and severally). “Lessor” may sometimes be referred to as a “landlord” under the terms of the Operator Lease.

“Loan” means the HUD-insured loan in the original principal amount of \$4,797,200.00, made by Lender to Borrower, secured by the Healthcare Facility, as such Loan may be amended, increased or decreased.

“Loan Documents” means the Note, the Borrower’s Security Instrument, the Borrower’s Regulatory Agreement, the Operator’s Regulatory Agreement, the Operator’s Security Agreement, any subordination agreements, and any and all other documents now or in the future required by and/or assigned to HUD and/or Lender in connection with the Loan(s), whether executed by or on behalf of Borrower, Lessor, or Operator, as the same may be amended from time to time, provided that the Operator Lease, and any amendments thereto, shall not be considered Loan Documents.

“Master Lease” and **“Master Tenant”** have the meanings set forth in the Borrower’s Security Instrument.

“Operator’s Regulatory Agreement” means that certain Healthcare Regulatory Agreement – Operator relating to the Project and entered into by Lessee for the benefit of HUD.

“Operator’s Security Agreement” means that certain Operator Security Agreement relating to the Project, and made by Lessee.

“Program Obligations” means (1) all applicable statutes and any regulations issued by HUD pursuant thereto that apply to the Project, including all amendments to such statutes and regulations, as they become effective, except that changes subject to notice and comment rulemaking shall become effective only upon completion of the rulemaking process, and (2) all current requirements in HUD handbooks and guides, notices and mortgagee letters that apply to the Project, and all future updates, changes and amendments thereto, as they become effective, except that changes subject to notice and comment rulemaking shall become effective only upon completion of the rulemaking process, and provided that such future updates, changes and amendments shall be applicable to the Project only to the extent that they interpret, clarify and implement terms in this Operator Lease Addendum rather than add or delete provisions from such document. Handbooks, guides, notices and mortgagee letters are available on HUD’s official website: <http://hud.gov/offices/adm/hudclips/index.cfm>, or a successor location to that site.

“Project” has the meaning set forth in the Borrower’s Security Instrument.

II. HUD REQUIREMENTS

2. COMPLIANCE WITH PROGRAM OBLIGATIONS.

(a) Lessor and Lessee shall comply with, and agree that the Operator Lease shall conform to, the Loan Documents and all applicable Program Obligations. Lessee further agrees that the Operator Lease shall be part of the collateral pledged to Lender and HUD as security for

the Loan. Accordingly, Lessee shall not take any action which would violate the Loan Documents or Program Obligations.

(b) In the event of any conflict between the terms and provisions of the Operator Lease, the Loan Documents or any Program Obligations, the Loan Documents and Program Obligations shall control in all respects. No provision of the Operator Lease shall modify any obligation of Lessor or Lessee under the Loan Documents. HUD's acceptance of the Operator Lease in connection with the closing of the Loan shall in no way constitute HUD's consent to arrangements which are inconsistent with Program Obligations.

(c) Lessee shall cooperate with Borrower and Lessor in providing, upon request by Lender or HUD, any and all documents, information, financial reports, and other items as may be required by Lender or HUD. As applicable, Lessee shall execute any subordination agreements, memoranda of leases or subleases, and/or estoppel certificates in form and substance required by Lender or HUD. Lessee shall cooperate with Borrower and Lessor and any lenders processing additional loans to Borrower.

3. SUBORDINATION TO THE LOAN DOCUMENTS.

(a) The Operator Lease is and shall be subject and subordinate to: the Borrower's Security Instrument and the Loan Documents; all renewals, modifications, consolidations, replacements and extensions thereof; all substitutions thereof; all future mortgages upon the Healthcare Facility; and/or other security interests in or to the Healthcare Facility and any other items which are herein leased to Lessee or which, pursuant to the terms hereof, become a part of the Healthcare Facility or are otherwise deemed to become the property of Lessor or to remain upon the Healthcare Facility at the end of the term; and each advance made or hereafter made under any of the foregoing. This Section shall be self-operative and no further instrument of subordination shall be required. Without limiting the foregoing, Lessee shall execute and deliver promptly any and all certificates, agreements and other instruments that Lessor, Lender or HUD may reasonably request in order to confirm such subordination. Unless Lender has granted Lessee non-disturbance rights in accordance with Program Obligations, if Lender or another person or entity shall succeed to the interest of Borrower or Lessor, by reason of foreclosure or other proceedings brought by Lender in lieu of or pursuant to foreclosure, or by any other manner (Lender or such other person or entity herein referred to as "**Successor**"), then the Operator Lease shall terminate, or, at the option of Successor, the Operator Lease shall continue in full force and effect, in which case Lessee shall attorn to Successor and recognize Successor as its landlord and as "Lessor" under the terms of the Operator Lease.

(b) All agreements for the provision of services to the Healthcare Facility or the granting of easements, rights of way, licenses or other permissions for the use or placement of cable television, telecommunications, or other utilities are, and shall always be, subordinate to (i) the rights of Lessor, (ii) the Borrower's Security Instrument, the Loan Documents and all other security agreements or security interests now or hereafter encumbering the Healthcare Facility and/or the Project, and (iii) Program Obligations. Lessee shall obtain written approval from HUD prior to entering into any such services agreements, easements, rights of way, licenses or other permissions.

4. OWNERSHIP OF FF&E AND TRANSFER OF PERSONAL PROPERTY.

(a) During the term of the Operator Lease, Lessee shall not remove any FF&E from the Healthcare Facility, except in the ordinary course of business.

(b) At the termination of the Operator Lease, Borrower will have the right to purchase any or all of Lessee's personal property located at the Healthcare Facility at book value. To the extent that any of such personal property is subject to an equipment lease, Borrower shall have the right to cause Lessee to pay in full all obligations under such equipment leases, or to assume some or all of such equipment leases at Borrower's sole cost and expense and at no additional liability to Lessee. Lessee shall sign or deliver to Borrower any instrument that may be reasonably necessary to transfer any such leased property to Borrower.

5. PAYMENTS.

(a) Rents and other amounts payable by Lessee under the Operator Lease (including rents, additional rents and all other sums payable under the Operator Lease) shall be sufficient to properly maintain the Healthcare Facility, and to enable Borrower to meet its debt service obligations and any related expenses (including, without limitation, any required deposits to reserves) in connection with the Loan and the Healthcare Facility, and shall be adjusted, as appropriate, on an annual basis to maintain the veracity of this Section.

(b) Unless Lender and Lessor agree otherwise, Lessee shall be responsible for funding all escrows for taxes, reserves for replacements, mortgage insurance premiums and/or other insurance premiums as may be required by Lender and/or HUD.

(c) Lessee shall deliver to Lessor copies of all notices, demands, claims, bills and receipts in relation to all impounds and insurance premiums promptly upon receipt thereof by Lessee.

6. OPERATOR'S REGULATORY AGREEMENT AND OPERATOR'S SECURITY AGREEMENT. Prior to HUD's endorsement of the Note, Lessee shall execute the Operator's Regulatory Agreement and the Operator's Security Agreement, and all other documents required by Lender or HUD to evidence Lender's security interest in the collateral of Lessee. Lessee shall comply with all obligations under the Operator's Regulatory Agreement and the Operator's Security Agreement. Any default by Lessee under the Operator's Regulatory Agreement or Operator's Security Agreement shall be deemed to be a default under the Operator Lease.

7. MANAGEMENT REQUIREMENTS. Lessee shall not enter into any management contract or agreement involving the Healthcare Facility unless such management contract or agreement complies with Program Obligations and contains provisions that, in the event of default under the Borrower's Regulatory Agreement and/or the Operator's Regulatory Agreement, the management contract or agreement shall be subject to termination upon not more than thirty (30) days notice (a "**Notice of Termination**"), without penalty, upon written request

of HUD. Upon such Notice of Termination, Lessee shall immediately arrange to terminate the management contract or agreement within a period of not more than thirty (30) days and shall make arrangements satisfactory to HUD for ensuring that the Healthcare Facility is managed in accordance with Program Obligations.

8. LICENSES; BED AUTHORITY. Lessee shall ensure that the Healthcare Facility meets all state and/or other licensure requirements and standards at all times. Lessor and Lessee shall not undertake or acquiesce to the modification of any license or Bed Authority of the Healthcare Facility without the prior written approval of HUD.

9. PROVIDER AGREEMENTS. Lessee shall be responsible for obtaining and maintaining all necessary provider agreements with Medicaid, Medicare and other government third-party payors. Upon request, Lessee shall promptly furnish to Lender and/or HUD copies of any applicable provider agreements and all amendments thereto.

10. INSURANCE; CASUALTY; CONDEMNATION. Lessee shall procure and maintain, or cause to be procured and maintained, all insurance coverage required under the Loan Documents and/or Program Obligations. All proceeds from an insurance or condemnation claim or award, or other compensation paid by reason of a conveyance in lieu of the exercise of such rights, with respect to the Healthcare Facility or the Project shall be applied in accordance with the terms of the Loan Documents and Program Obligations. Any decision to repair, reconstruct, restore or replace the Healthcare Facility following a casualty or condemnation action shall be subject to the terms of the Loan Documents and Program Obligations. On an annual basis, Lessee shall provide to Lender a certification that it is in compliance with HUD's professional liability insurance requirements.

11. ASSIGNMENT OF THE OPERATOR LEASE AND SUBLETTING OF THE HEALTHCARE FACILITY.

(a) The Operator Lease shall not be assigned and the Healthcare Facility shall not be subleased by Lessee, in whole or in part (including any transfer of title or right to possession and control of the Healthcare Facility, or of any right to collect fees or rents), without the prior written approval of HUD. The prior written approval of HUD shall additionally be required for (i) any change in or transfer of the management, operation, or control of the Healthcare Facility, or (ii) any change in the ownership of Lessee that requires approval from HUD under Program Obligations. Any proposed assignee of Lessee shall be required to execute a Healthcare Regulatory Agreement – Operator (Form HUD-92466A-ORCF) and an Operator Security Agreement (Form HUD-92323-ORCF), each in a form and substance satisfactory to HUD, as a prerequisite for any such approval. Any assignment or subletting of the Healthcare Facility without the approval described in this Section shall be deemed null and void. Notwithstanding the foregoing, all restrictions in this Section pertaining to subletting shall not apply to the leasing of individual units or beds to residents of the Healthcare Facility.

(b) Lessee acknowledges that Lessor is assigning the Operator Lease to Lender to further secure Lessor's and Borrower's obligations to Lender under the Loan Documents. All parties acknowledge that Lender is authorized to exercise all of the rights and remedies available

to Lessor in connection with the assignment of the Operator Lease as Lender may determine is reasonably necessary to cure a default by Lessor under any of the Loan Documents.

12. ACCOUNTS RECEIVABLE FINANCING. Lessee shall not pledge nor permit to be pledged, any Accounts Receivable to a third-party lender without the prior written approval of Lender and HUD. In the event that Lender and HUD grant such approval, (i) all holders of such lien shall be bound by an Intercreditor Agreement with Lender (Form HUD-92322-ORCF), and any riders and/or amendments thereto (the “**Intercreditor Agreement**”), on such terms and conditions as may be required by HUD, and (ii) Lessee shall agree to comply with the requirements imposed by Lender and HUD in connection therewith.

13. TERMINATION OF THE OPERATOR LEASE. The Operator Lease shall not be terminated prior to its expiration date without the prior written approval of HUD. Lessor and Lessee acknowledge and agree that if requested to do so by HUD, Lessor shall terminate the Operator Lease within such time as specified by HUD, without penalty to Lessor, under the following circumstances: (i) for any violation of the Operator Lease that is not cured within any applicable notice and cure period provided in the Operator Lease, (ii) for any violation of the Operator’s Regulatory Agreement pursuant to its terms; (iii) for any violation of Program Obligations that is not cured within thirty (30) days after receipt by Lessee of written notice of such violation, or (iv) if HUD, as a result of the occurrence of any of the events described in the foregoing items (i), (ii) or (iii), is required to advance funds for the operation of the Healthcare Facility.

14. MASTER LEASE. In accordance with Program Obligations, HUD may require Borrower to enter into a master lease if the Project is affiliated by common ownership with the borrowers and/or operators of other projects financed or proposed to be financed under Section 232 of the National Housing Act. Such master lease shall (i) be approved by HUD and Lender, (ii) only cover HUD-insured projects, and (iii) comply with all applicable Program Obligations.

15. INDEMNIFICATION. Notwithstanding any provisions contained in the Operator Lease, HUD shall have no obligation to indemnify a party to the Operator Lease under the terms of the Operator Lease. In addition, any payment obligations of HUD pursuant to the Operator Lease shall be limited to actual amounts received by HUD, and otherwise not prohibited by applicable law or regulation, including without limitation, the Anti-Deficiency Act, 31 U.S.C. § 1341, *et seq.*

16. MODIFICATION; TERMINATION. The provisions of the Operator Lease shall not be amended, except to increase the rent or other payments due to Lessor, without the prior written approval of HUD and Lender, and shall only be terminated if such termination complies with Program Obligations.

17. NOTICES TO LENDER AND HUD OF DEFAULT. Lessee and Lessor shall copy Lender and HUD on all notices of default under the Operator Lease. Such copies shall be provided at the same time and in the same manner as provided by Lessee or Lessor to the other party. Lender shall have the right, but not the obligation, to cure any default by Lessor under the Operator Lease. For the purpose of effecting such cure, Lessee grants Lender and Lessor such

period of time as may be reasonable to enable Lender and/or Lessor to cure (or cause to be cured) any default. In the event of any act or omission of Lessor which would give Lessee the right, immediately or after lapse of a period of time, to cancel or terminate the Operator Lease, or to claim a partial or total eviction, Lessee shall not exercise such right (i) until it has given written notice of such act or omission to Lender and HUD, and (ii) unless such act or omission shall be one which is not capable of being remedied by Lender or Lessor within a reasonable period of time, until a reasonable period for remedying such act or omission shall have elapsed following the giving of such notice and following the time when Lender shall have become entitled under the Loan Documents in connection therewith, as the case may be, to remedy the same (which reasonable period shall in no event be less than the period to which Lessor would be entitled under the Operator Lease or otherwise, after similar notice, to effect such remedy).

18. SPECIAL PURPOSE ENTITY. Lessee, its successors and assigns, is, shall be, and shall continue to be a Special Purpose Entity (as defined by Program Obligations).

19. CROSS-DEFAULT GUARANTY OF LESSEE. If the Healthcare Facility is or becomes subject to a Master Lease, Lessee shall execute a Cross-Default Guaranty of Subtenants (Form HUD-92331-ORCF) (individually and collectively, the “**Cross Default Guaranty**”) in favor of Lessor, in a form and substance required by HUD, by which Lessee shall guarantee the performance of the obligations of each its affiliates under all applicable subleases of healthcare facilities. Lessor hereby assigns such Cross-Default Guaranties to Lender.

20. TRANSFER OF OPERATIONS. Upon the expiration or earlier termination of the Operator Lease for any reason whatsoever, the Operator Lease shall become and be construed as an absolute assignment for purposes of vesting in Lessor (or Lessor’s designees) all of Lessee’s right, title, and interest in and to the following, to the extent assignable by law: (a) the licenses, any Medicare or Medicaid provider agreements and any CON, (b) all documents, charts, personnel records, patient records, and other documents relating to the Healthcare Facility or operations at the Healthcare Facility, (c) all existing agreements with residents of the Healthcare Facility, and any guarantors of such agreements, and any and all patient trust fund accounts and (d) all other assignable intangible property not enumerated above that is now or in the future used in connection with the operation of the Healthcare Facility. Lessee shall sign and deliver to Lessor any documents that may be reasonably necessary to transfer the foregoing to Lessor.

21. LESSEE COOPERATION. Lessee agrees to cooperate with Lessor and Borrower in providing, and upon request by Borrower, Lessor, Lender, or HUD, Lessee shall provide or cause to be provided, such documents, information, financial reports, and other items as may be required by Lender or HUD. When applicable, Lessee agrees to execute subordination agreements in form and substance required by Lender or HUD. Lessee further agrees to cooperate with Lessor and Borrower and with lender(s) who are processing and will be making Loans to Borrower.

22. COUNTERPART SIGNATURES. This Operator Lease Addendum may be executed in counterpart.

23. GOVERNING LAW. This Operator Lease Addendum and all rights and obligations under this Operator Lease Addendum, including matters of construction, validity and performance, shall be governed by the laws of the state in which the Healthcare Facility is located, without giving effect to conflicts of laws principles.

24. HUD is not a party to this Operator Lease Addendum and has no obligations hereunder; however, it is a third-party beneficiary for the sole purpose of enforcing its rights hereunder.

IN WITNESS WHEREOF, the parties hereto have set their hands as of the date first herein above written.

LESSOR:

COLUMBIA CARE CENTER REALTY
LLC, a New Jersey limited liability
company

By: _____
Name: Dov Lebovic
Title: Manager

LESSEE:

LIGHTHOUSE CLOVER LLC, a New
Jersey limited liability company

By: _____
Name: Dov Lebovic
Title: Manager