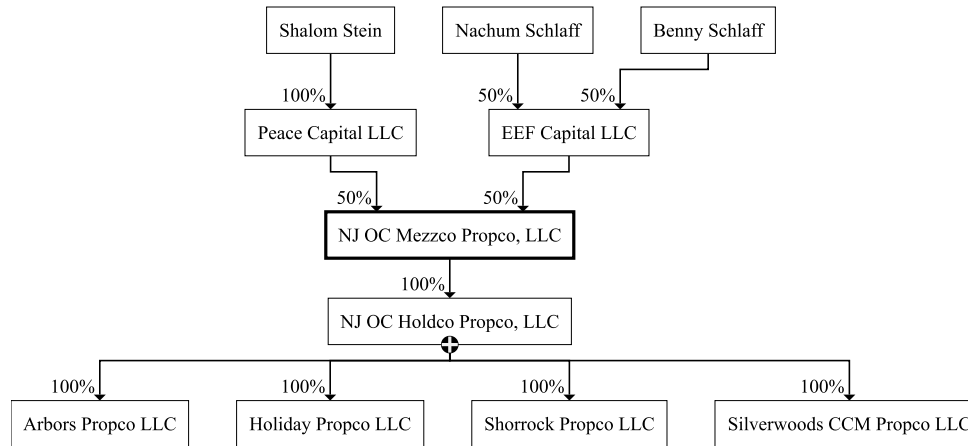


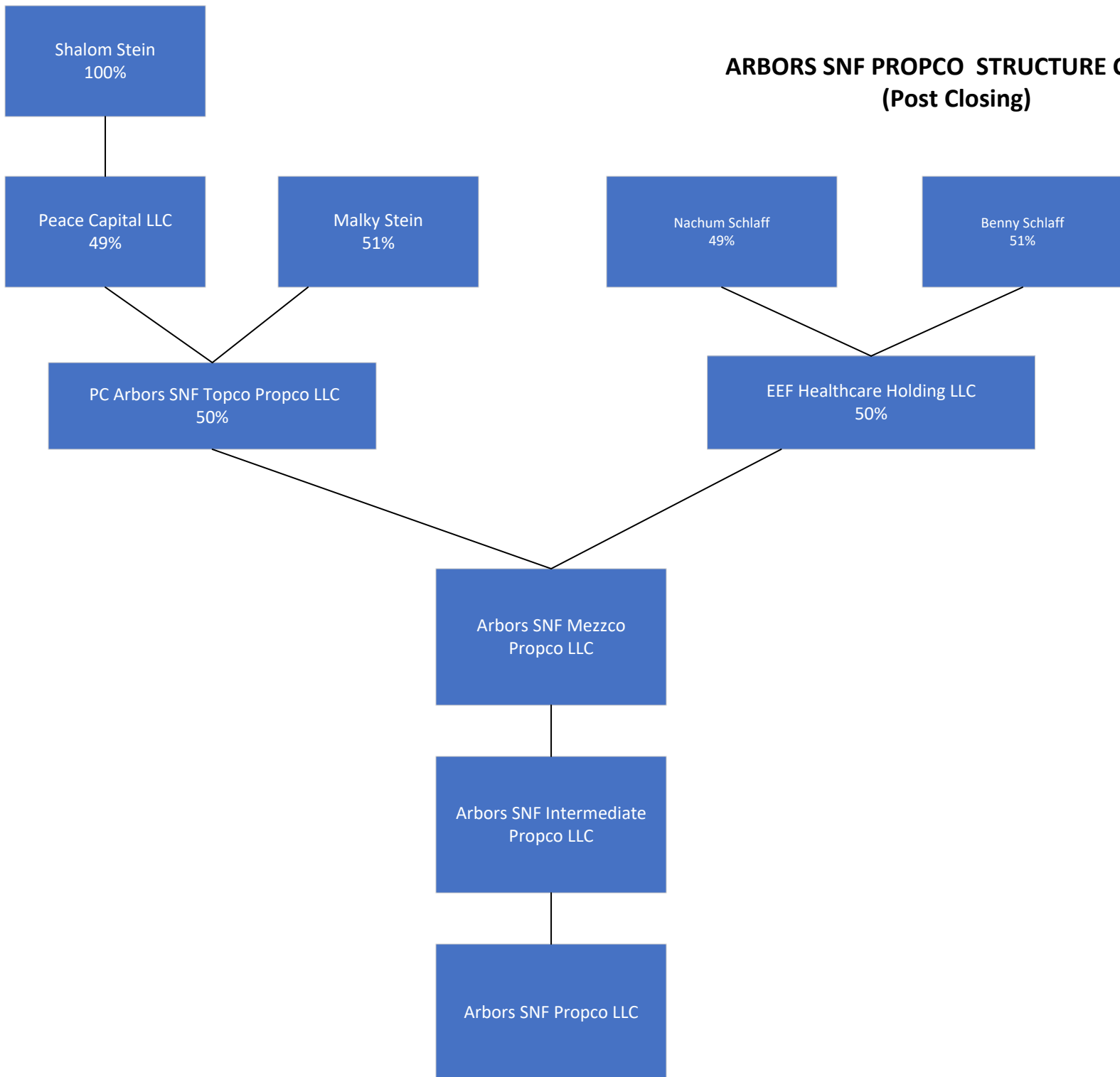
Complete Care at Arbors, LLC
1750 Route 37 West, Toms River, New Jersey 08757-2345

Date Application Filed:	10/15/2024
Name of Facility:	Complete Care at Arbors, LLC
New Name of Facility:	N/A
License No.	061537
Address:	1750 Route 37 West, Toms River, New Jersey 08757-2345
County:	Ocean County
Project Description:	This application involves a Change to the Propco ownership.
Licensed Capacity:	120 LTC Beds
Current License Owner:	See organizational chart on next page
Proposed Licensed Owner:	See organizational chart on next page
Proposed Management Company:	
Owner of Real Estate:	<u>Arbors SNF Propco LLC</u>
Location of stored medical records post-closing:	1750 Route 37 West, Toms River, New Jersey 08757-2345 PHONE (732) 914-0090

Hovnanian PropCo Org Chart (Pre Arbors SNF HUD Refi)



ARBORS SNF PROPCO STRUCTURE CHART (Post Closing)



LEASE AGREEMENT

THIS LEASE AGREEMENT (this “*Lease*”) is entered into effective as of _____, 2024 (the “*Effective Date*”), by and between ARBORS SNF PROPCO LLC, a New Jersey limited liability company (the “*Landlord*”) and COMPLETE CARE AT ARBORS LLC, a New Jersey limited liability company (the “*Tenant*”).

WITNESSETH:

FOR GOOD AND VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the parties agree as follows:

ARTICLE 1. THE PREMISES.

Landlord owns the real property as set forth in Exhibit A attached hereto and made a part hereof, together with all rights, privileges, easements and appurtenances belonging thereto and the building and other improvements thereon (the “*Premises*”).

Landlord hereby leases the Premises to Tenant and Tenant hereby leases the Premises from Landlord as set forth in Exhibit A, pursuant to the terms and conditions set forth herein.

Landlord has financed the Premises with a term loan (the “*Loan*”), which Loan is secured by a first mortgage encumbering the Premises.

ARTICLE 2. USE AND CONDUCT OF BUSINESS.

Tenant shall use the Premises solely for operation of a skilled nursing facility. Tenant shall obtain all necessary licenses and permits in connection with its business and shall not use, occupy or permit any use of the Premises, which would violate any laws, ordinance or regulations.

ARTICLE 3. TERM.

The initial term of this Lease (the “*Term*”) shall be for a period commencing on the date hereof and expiring on the date that is ten (10) years thereafter. The Term shall automatically be extended for consecutive one (1) year periods, until either party gives not less than sixty (60) days written notice to the other party that the Lease shall terminate upon the expiration of the initial term or extended term then in effect, as applicable.

ARTICLE 4. RENT.

A. **Rent.** Tenant shall pay Landlord base rent in the annual amount equal to the product obtained by multiplying [*] times the sum of (i) Landlord’s annual principal and interest payments with respect to the Loan, (ii) Landlord’s annual mortgage insurance premiums with respect to the Loan, (iii) Landlord’s annual deposits for reserves for replacements, (iv) the amount of the annual property insurance with respect to the Premises, and (v) the amount of the annual property taxes with respect to the Premises (the “*Rent*”), to be paid in twelve (12) equal monthly installments.

B. **Payment of Rent.** Rent shall be payable on or before the first day of each month during the Term and any extensions thereof, without notice or demand, and without any deduction or set-off whatsoever, except as specifically set forth herein. Rent for any partial month during the Term, including the partial month from the beginning of the Term to the first day of the following month, shall be a prorated portion of the monthly installment herein, based on the actual days in any such month. Any payment due to Landlord shall be payable at the location from time to time designated by Landlord for payment of Rent.

ARTICLE 5. UTILITIES, TAXES, MAINTENANCE, ALTERATIONS, AND SIGNS.

A. **Utilities.** Tenant shall pay, as they become due and payable, all charges for utility services furnished to the Premises during the Term of the Lease.

B. **Taxes.** Tenant shall pay, as they become due and payable, all real estate taxes for the Premises, including, without limitation, any assessments, business improvement district taxes, sewer rentals, county taxes, bed taxes or any other governmental charges, whether federal, state, city, county or municipal, and whether general or special, ordinary or extraordinary, foreseen or unforeseen, which may now or hereafter be levied, imposed or assessed against the building or the land of the Premises

C. **Maintenance.** Tenant shall keep and maintain the Premises (including, but not limited to, structural, mechanical and exterior components) in good order, condition and repair, at its sole cost and expense.

D. **Alterations and Improvements.** Tenant, at its cost and expense, and with no right of reimbursement from Landlord, shall do all work and make all installations, modifications or improvements necessary for Tenant's use and occupancy. Any of Tenant's work and installations that are structural in nature shall be performed in accordance with plans reasonably approved by Landlord. Tenant's work shall be performed in good and workmanlike manner, shall be in conformity with all applicable federal, state and local laws, ordinances, building codes and fire regulations, and shall be free of any liens for labor and materials.

E. **Signs.** All signage for the Premises shall be in accordance with applicable laws and codes.

ARTICLE 6. ACCESS.

Landlord and its representatives and mortgagees may from time to time upon reasonable notice to Tenant enter the Premises to inspect the Premises. Landlord agrees to make reasonable efforts to minimize any interference with Tenant's use of the Premises.

ARTICLE 7. INSURANCE AND INDEMNIFICATION.

Tenant shall secure and maintain, at its own cost and expense, "Causes of Loss (special form)" property insurance covering loss or damage by fire or other causes for the full replacement value of all improvements (including the Premises' building) located on the Premises. Landlord shall be named as loss payee under such insurance policy.

Tenant shall secure and maintain "Causes of Loss (special form)" property insurance covering loss or damage by fire or other causes for the full replacement value of all Tenant's leasehold improvements, trade fixtures and personal property within the Premises. Tenant also agrees to obtain and

keep in force at its expense for the term of the Lease comprehensive general liability insurance insuring Landlord, Mortgagee (as defined below) and Tenant from all claims, demands, or actions with minimum limits of liability in respect of bodily injury of \$1,000,000 for each accident or occurrence and for damage to property made by or on behalf of any person or persons arising from, related to, or connected with the conduct and operation of Tenant's business at the Premises. Said policy or policies shall be issued by an insurance company and in form reasonably satisfactory to Landlord.

Anything in this lease to the contrary notwithstanding, Landlord and Tenant each hereby waives any and all rights of recovery, claim, action or cause-of-action against the other, its agents, officers, directors, partners, shareholders or employees, for any loss or damage that may occur to the Premises or its building, or any improvements thereto, or any property of such party therein, by reason of fire, the elements or any other cause which could be insured against under the terms of a standard fire and extended coverage insurance policies, regardless of cause or origin, including negligence of the other party hereto, its agents, officers or employees, and covenants that no insurer shall hold any right of subrogation against such other party.

Landlord, its partners, shareholders, affiliates, parents and/or its mortgagees, and their respective officers, employees, and agents ("**Landlord Parties**"), shall not be liable to Tenant or Tenant's agents, employees, customers, or invitees for any damage to persons (including bodily injury and death) or property caused by any willful act, omission or neglect of Tenant, or by Tenant's occupancy or use of the Premises, and Tenant agrees to indemnify, defend and hold Landlord and the Landlord Parties harmless from all claims for any such damage. Tenant, its partners, shareholders, affiliates, parents and/or its mortgagees, and their respective officers, employees, and agents ("**Tenant Parties**"), shall not be liable to Landlord or Landlord's agents, employees, customers, or invitees for any damage to persons (including bodily injury and death) or property caused by any willful act, omission or neglect of Landlord, and Landlord agrees to indemnify, defend and hold Tenant and the Tenant Parties harmless from all claims for any such damage. This indemnification obligation in this Article 7 shall survive the expiration or earlier termination of this Lease.

Notwithstanding anything herein to the contrary, Tenant shall pay for and obtain, secure and maintain all forms and types of insurance required and mandated by the Mortgagee on the Premises and Tenant shall at all times comply with all insurance obligations of Landlord under the mortgage or loan documents between the Landlord and Mortgagee relating to the Premises.

ARTICLE 8. CASUALTY AND CONDEMNATION.

If more than twenty percent (20%) of the Premises is damaged by casualty, Tenant may terminate this Lease provided it gives Landlord notice within sixty (60) days of the damage. If this Lease is not so terminated, Landlord shall promptly restore the Premises to as near the condition which existed immediately prior to such casualty as may be reasonably possible. Tenant's obligation to pay monthly installments of Rent shall abate during such period of time that the Premises is untenable, in the proportion that the untenable portions of the Premises bears to the entire Premises. If Tenant elects to terminate the Lease as permitted hereunder, Landlord shall be entitled to all insurance proceeds plus any deductible of Tenant, except that Landlord shall not be entitled to any insurance proceeds attributable to Tenant's personal property.

In the event of a condemnation or a deed in lieu of condemnation of the entire Premises, Landlord shall have the right to terminate this Lease and Landlord shall be entitled to the entire condemnation award; however, Tenant shall be entitled to any relocation allowance if such is provided separately by law and such benefit does not reduce the amount of any award payable to Landlord. In the event of a partial condemnation of the Premises or a deed in lieu of condemnation which has the effect of materially interfering with Tenant's use of the Premises, Landlord and Tenant shall each have the right to terminate the Lease upon thirty (30) days written notice to the other party given within thirty (30) days after such taking. Landlord shall be entitled to the entire condemnation award; provided however that Tenant shall be entitled to any relocation benefit if such is provided separately by law and such benefit does not reduce the amount of any award payable to Landlord. In the event that this Lease is not terminated, Landlord shall restore the Premises to as near the condition which existed immediately prior to the date of taking as may be reasonably possible with the proceeds of any award received by Landlord and Rent shall be equitably reduced by the proportion of the Premises taken by the condemnation.

ARTICLE 9. ASSIGNMENT OR SUBLEASE BY TENANT.

Tenant shall not assign this Lease or sublet all or any part of the Premises without the prior consent of Landlord, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, Landlord's consent to sublease or assign shall not be required where Tenant subleases or assigns all or part of the Premises to any related entity which controls Tenant, is controlled by Tenant, or is under common control with Tenant. Landlord's consent to sublease or assign shall not be required by Tenant's sublease or license to the seller in connection with Landlord's purchase of the Premises.

Landlord may assign this Lease and upon such assignment shall give written notice thereof to Tenant.

ARTICLE 10. REMEDIES OF LANDLORD.

In the event that during the term of this Lease, (i) Tenant shall have failed to pay any installment of Rent when due and the same shall remain unpaid for a period of thirty (30) days after written notice from Landlord, or (ii) the failure of Tenant to comply with the requirements of Article 2 hereof; (iii) except as required in subparagraph (iii) hereof, Tenant shall have failed to comply with any of the provisions of this Lease and shall not have cured such default within sixty (60) days, provided, however, that if such failure is curable, but cannot with reasonable diligence be cured within such sixty (60) day period, then such failure shall not be deemed an Event of Default provided Tenant commences to cure such default within such sixty (60) day period and thereafter cures such default with due diligence, or (iv) Tenant shall file in any court a petition in bankruptcy or insolvency or for reorganization, or (v) Tenant shall be adjudicated bankrupt, then Landlord, upon notice to Tenant, may elect either to cancel and terminate this Lease or to terminate Tenant's right to possession only without terminating this Lease, and Landlord shall have the right to pursue any remedy at law that may be available to landlord.

ARTICLE 11. MISCELLANEOUS.

A. Short Form Lease. Tenant shall not record this Lease without the written consent of Landlord; however, upon the request of either party hereto, the other party shall join in the execution of a memorandum or so called "short form" of this Lease for the purposes of recordation. Said memorandum or short form of this Lease shall describe the parties, the Premises, the Term, any special provisions, and shall

modification of this Lease made without the consent of Mortgagee or such successor in interest. Upon request by such successor in interest, Tenant shall execute and deliver an instrument or instruments confirming such attornment.

G. Attorneys' Fees. If either party employs an attorney to enforce its rights following a breach by the other party hereunder, the prevailing party shall be entitled to recover its reasonable attorneys' fees incurred thereby.

H. General. This Lease and any exhibits attached hereto set forth the entire agreement between Landlord and Tenant as to the subject matter hereof. Any modifications to this Lease must be in writing and signed by Landlord and Tenant in order to be enforceable. The obligations and benefits hereunder shall inure to and be binding upon the respective successors and permitted assigns, if any, of Landlord and Tenant. If any term or provision of this Lease or the application thereof to any person or circumstances shall be invalid or unenforceable, the remainder of this Lease or the application to persons or circumstances other than those to which it is held invalid or unenforceable shall be valid and enforced to the fullest extent permitted by law. This Lease may be executed by facsimile and by pdf email signatures and may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature Page Follows]

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

LANDLORD:
ARBORS SNF PROPCO LLC

By: _____
Name: Shalom Stein
Title: Authorized Signatory

TENANT:
COMPLETE CARE AT ARBORS LLC

By: _____
Name: Shalom Stein
Title: Authorized Signatory

EXHIBIT A

<u>Facility</u>	<u>Address</u>	<u>Landlord</u>	<u>Tenant</u>
COMPLETE CARE AT ARBORS	1750 NJ-37 Toms River, NJ 08757	Arbors SNF Propco LLC	Complete Care at Arbors LLC