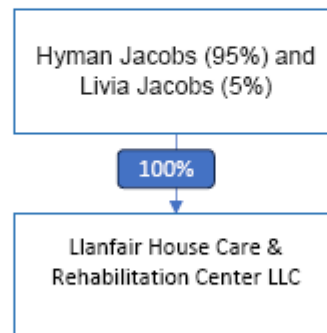


**Point View Care and Rehab Center
LLC d/b/a Berkshire Post Acute Care at
Wayne**

1140 Black Oak Ridge Road, Wayne, NJ 07470-3698

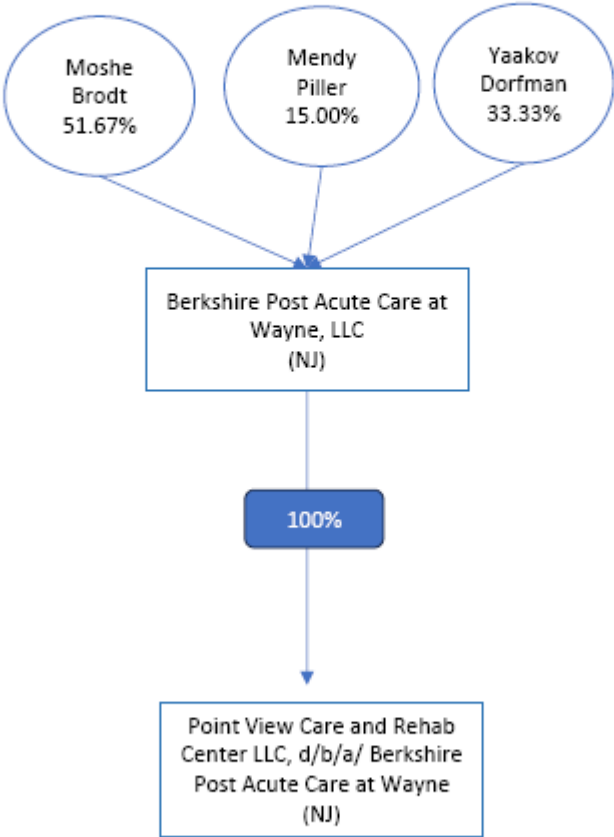
Date Application Filed:	02/15/2025
Name of Facility:	Llanfair House Care & Rehabilitation Center
New Name of Facility:	Berkshire Post Acute Care at Wayne
License No.	061611
Address:	1140 Black Oak Ridge Road, Wayne, NJ 07470
County:	Passaic County
Project Description:	This project involves the Transfer of Ownership of the operations of Llanfair House Care & Rehabilitation Center, located in Passaic County, from Llanfair House Care & Rehabilitation Center LLC to Point View Care and Rehab Center LLC d/b/a Berkshire Post Acute Care at Wayne LLC. This facility is to be renamed Berkshire Post Acute Care at Wayne. On April 11th 2025, the real estate upon which the facility is located was transferred from Llanfair House Realty LLC to Point View Propco LLC.
Licensed Capacity:	180 LTC Beds
Current License Owner:	See organizational chart on next page
Proposed Licensed Owner:	See organizational chart on next page
Current Management Company:	Point View Care and Rehab Center LLC d/b/a Berkshire Post Acute Care at Wayne 1613 Route 88 Brick, NJ 08724
Owner of Real Estate:	Point View Propco LLC
Location of stored medical records post-closing:	1140 Black Oak Ridge Road, Wayne, NJ 07470

Opco Ownership Chart
Pre-Closing: Llanfair House Care & Rehabilitation Center, LLC



Point View Care and Rehab Center LLC
d/b/a Berkshire Post Acute Care at Wayne

Ownership Chart Post Closing - Opco



Related Ownership Moshe Brodt

Name	Address
Hallmark Healthcare LLC d/b/a Pine Acres Rehab	51 Madison Ave.,Madison ,NJ 07940
Stratford Manor Rehabilitation & Care Center	787 Northfield Ave., West Orange, NJ 07052
Laurel Manor Healthcare & Rehabilitation Center	18 W Laurel Rd., Stratford, NJ 08084
Barclays Rehabilitation & Healthcare Center LLC	1412 Marlton Pike E, Cherry Hill, NJ 08034
Maybrook-C Valley View Opco LLC Maybrook Hills Rehab	301 Valley View Blvd, Altoona, PA 16602
MAPLE WINDS HEALTHCARE AND REHABILITATION CENTER LLC	4112 SPRINGHILL ROAD, PORTAGE, PA 15946
Doctors Subacute Healthcare, LLC	59 Birch Street Paterson, NJ 07522
Clover Meadows Healthcare and Rehabilitation Center LLC	112 Franklin Corner Rd Lawrence Township NJ 08648-2104
Jersey Shore Post Acute Rehabilitation and Nursing LLC	101 Walnut Street, Neptune NJ 07753
Carnegie Post Acute Care at Princeton LLC	5000 Windrow Drive Princeton, NJ
Carnegie Assisted Living at Princeton LLC	1000 Windrow Drive Princeton, NJ

Related Ownership Mendy Pillar

Name	Address
Barclays Rehabilitation & Healthcare Center LLC	1412 Marlton Pike E, Cherry Hill, NJ 08034
Maybrook-C Valley View Opco LLC Maybrook Hills Rehab	301 Valley View Blvd, Altoona, PA 16602
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Related Ownership Yaakov Dorfman

Name	Address
Barclays Rehabilitation & Healthcare Center LLC	1412 Marlton Pike E, Cherry Hill, NJ 08034
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Carnegie Assisted Living at Princeton LLC	1000 Windrow Drive Princeton, NJ

LEASE AGREEMENT

By and Between

POINT VIEW PROPCO LLC

and

**POINT VIEW CARE AND REHAB CENTER, DBA BERKSHIRE POST
ACUTE CARE AT WAYNE**

March 1, 2025

1140 Black Oak Ridge Road,
Wayne, New Jersey 07470

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LEASE AGREEMENT

THIS LEASE AGREEMENT (the “Lease”) made and entered into this [1st day of March, 2025], by and between **POINT VIEW PROPCO LLC**, a New Jersey limited liability company (hereinafter referred to as “Lessor”) and **POINT VIEW CARE AND REHAB CENTER LLC**, a New Jersey limited liability company, **DBA BERKSHIRE POST ACUTE CARE AT WAYNE** (hereinafter referred to as “Lessee”).

WITNESSETH:

WHEREAS, Lessor owns certain tracts of land which are improved with a nursing home facility, located at 1140 Black Oak Ridge Road, Wayne, New Jersey 07470, as well as any other structures located thereon, all as more particularly described in Exhibit A attached hereto and made a part hereof (hereinafter collectively referred to as the “Demised Premises”);

WHEREAS, Lessor owns the furnishings, furniture, equipment and fixtures used in or about the Demised Premises (hereinafter collectively referred to as the “Personal Property”); and

WHEREAS, Lessor desires to lease the Demised Premises and Personal Property to Lessee and Lessee desires to lease the Demised Premises and Personal Property from Lessor.

NOW THEREFORE, in consideration of the above Recitals, which are incorporated herein by this reference, and of the mutual covenants, agreements and undertakings hereinafter set forth, it is agreed that the use and occupancy of the Demised Premises, and the use of the Personal Property shall be subject to and in accordance with the terms, conditions and provisions of this Lease.

ARTICLE I - DEFINITIONS

1.1 The terms defined in this Article shall, for all purposes of this Lease and all agreements supplemental hereto, have the meaning herein specified.

(a) “Facility” shall mean that certain facility located at 1140 Black Oak Ridge Road, Wayne, New Jersey 07470, as well as any other structures located on the Demised Premises.

(b) “Loan” shall mean, collectively, any term loan and/or any revolving loan connected with the Facility.

(c) “Mortgage” shall mean any mortgage entered into by Lessor, and any amendments, modifications or extensions thereof and any mortgages which in the future may encumber the Demised Premises, including any mortgage made by a Lender approved by the Federal Housing Authority and insured by the United States Department of Housing and Urban Development, provided that any such amendments, modifications or extensions of the new mortgages comply with the terms of this Lease.

(d) “Lender” shall mean the beneficiary under any Mortgage.

(e) All other terms shall be as defined in other sections of this Lease.

ARTICLE II - DEMISED PREMISES AND PERSONAL PROPERTY

2.1 Lessor, for and in consideration of the rents, covenants and agreements hereinafter reserved, mentioned and contained on the part of the Lessee, its successors and assigns, to be paid, kept and performed, does hereby lease unto Lessee the Demised Premises together with the Personal Property to be used in and upon the Demised Premises for the term hereinafter specified, for use and operation therein and thereon of the Facility, in substantial compliance with all the rules and regulations and minimum standards applicable thereto, as prescribed by the State of New Jersey and such other governmental authorities having jurisdiction thereof.

ARTICLE III - TERM OF LEASE

3.1 The term of this Lease (the "Term") shall begin and be effective as of the date hereof ("Commencement Date"), provided that Lessee shall have a license to operate the skilled care nursing facility located on the Demised Premises, and shall extend for a period of twenty five (25) years (the "Initial Term"), unless sooner terminated or extended as provided herein. Lessee shall have the right to extend the Initial Term for two successive five (5) year terms.

ARTICLE IV - RENT

4.1 From and after the date hereof, Lessee shall pay to Lessor, or as Lessor shall direct, without demand, deduction or offset for any reason whatsoever except as herein specifically provided, as fixed monthly base rental an amount equal to one hundred percent (100%) of the debt service due under the Mortgage (the "Base Rent") for the Demised Premises and the Personal Property over and above all other and additional payments to be made by Lessee as provided in this Lease. Notwithstanding the foregoing, the Base Rent plus any Additional Rent hereunder shall not be less than an amount equal to one hundred percent (100%) of (a) principal and interest due by Lessor in connection with the Mortgage, (b) mortgage insurance premium due by Lessor in connection with the Mortgage, (c) replacement reserve deposits due by Lessor in connection with the Mortgage, (d) tax escrow deposits due by Lessor in connection with the Mortgage, and (e) insurance escrow deposits due by Lessor in connection with the Mortgage.

All rental payments, together with all tax and insurance deposits provided for in this Lease, shall be paid in arrears on the first day of each month. Unless otherwise notified Lessor directs Lessee to deliver all rental payments payable to Lessor and shall be sent to Lessor's attention at: 1613-Rt 88, Brick, New Jersey 08724.

4.2 This Lease is and shall be deemed and construed to be a triple net lease and the Base Rent specified herein shall be net to the Lessor in each year during the term of this Lease. The Lessee shall pay all costs, expenses and obligations of every kind whatsoever relating to the Demised Premises which may arise or become due during the term of this Lease, except for any principal and interest payments due with respect to any Mortgage. Lessee does hereby agree to

indemnify, defend and hold harmless the Lessor against any and all such costs, expenses and obligations.

ARTICLE V - PAYMENT OF TAXES AND ASSESSMENTS

5.1 Lessee will pay as Additional Rent before any fine, penalty, interest or cost may be added thereto for the nonpayment thereof, all taxes, assessments, license and permit fees and other governmental charges, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever which during the term of this Lease may have been, or may be, assessed, levied, confirmed, imposed upon or become due and payable out of or in respect of, or become a lien on the Demised Premises and/or Personal Property or any part thereof (hereinafter collectively referred to as "Taxes and Assessments").

5.2 Any Taxes and Assessments relating to a fiscal period of any authority, a part of which is included within the term of this Lease and a part of which is included in a period of time before or after the term of this Lease, shall be adjusted pro rata between Lessor and Lessee as of the commencement and termination of the Lease term and each party shall be responsible for its pro-rata share of any such Taxes and Assessments.

5.3 Nothing herein contained shall require Lessee to pay income taxes assessed against Lessor, or capital levy, franchise, estate, succession or inheritance taxes of Lessor or its beneficiary.

5.4 If permitted by the terms of the Loan and the Mortgages, Lessee shall have the right to contest the amount or validity, in whole or in part, of any Taxes and Assessments by appropriate proceedings diligently conducted in good faith, but only after payment of such Taxes and Assessments, unless such payment would operate as a bar to such contest or interfere materially with the prosecution thereof, in which event, Lessee may postpone or defer such payment only if neither the Demised Premises, nor any part thereof, would by reason of such postponement or deferment be in danger of being forfeited or lost.

5.5 Upon the termination of any such proceedings, Lessee shall pay the amount of such Taxes and Assessments or part thereof as finally determined in such proceedings, the payment of which may have been deferred during the prosecution of such proceedings, together with any costs, fees, interest, penalties, or other liabilities in connection therewith, and such payment, at Lessee's request, shall be made by Lessor out of the amount deposited with respect to such Taxes and Assessments and accrued interest as aforesaid. In the event such amount is insufficient, then the balance due shall be promptly paid by Lessee.

5.6 Lessor shall not be required to join in any proceedings referred to in this Article, unless the provisions of any law, rule or regulation at the time in effect shall require that such proceedings be brought by and/or in the name of Lessor in which event Lessor shall join in such proceedings or permit the same to be brought in its name. Lessor shall not ultimately be subjected to any liability for the payment of any costs or expenses in connection with any such proceedings, and Lessee will indemnify, defend and save harmless Lessor from any such costs and expenses,

including, without limitation, reasonable attorneys' fees, as a result of such proceedings. Lessee shall be entitled to any refund of any real estate taxes and penalties or interest thereon received by Lessor but previously reimbursed in full by Lessee.

5.7 In the event that Lessor determines in its reasonable judgment that it is not being adequately represented by Lessee's counsel in any proceedings referred to in this Article, Lessor may upon ten (10) days' prior written notice to Lessee, obtain separate counsel to represent it in such action. In such event, the cost of such counsel shall be paid by Lessor.

5.8 If any income, profits or revenue tax shall be levied, assessed or imposed upon the income, profits or revenue arising from the Rent payable hereunder, partially or totally in lieu of or as a substitute for real estate taxes imposed upon the Demised Premises or Personal Property, then Lessee shall be responsible for the payment of such tax.

ARTICLE VI - OCCUPANCY

6.1 During the term of this Lease, the Demised Premises shall be used and occupied by Lessee for and as a skilled care nursing facility, as well as any other structures located thereon, and for no other purpose. Subject to the terms of Article XX hereof, Lessee shall at all times maintain in good standing and full force a probationary or non-probationary license issued by the State of New Jersey and any other governmental agencies permitting the operation on the Demised Premises of a skilled care nursing facility and shall use its best efforts to obtain a certificate to participate in the New Jersey Medicaid Program as soon as practicable after the Commencement Date. Thereafter, subject to the terms of Article XX hereof, Lessee shall at all times maintain in good standing and full force a provider agreement pursuant to which the Facility shall be entitled to participate in the New Jersey Medicaid Program and receive reimbursement for the services provided at the Facility.

6.2 Lessee will not suffer any act to be done or any condition to exist at the Facility which may be dangerous or which may, in law, constitute a public or private nuisance or which may void or make voidable any insurance then in force affecting the Facility.

6.3 Upon termination of this Lease for any reason, Lessee will return to Lessor the Demised Premises in the same condition as existed on the Commencement Date, reasonable wear and tear excepted, and with an unrestricted license issued by the State of New Jersey and by any and all governmental agencies having jurisdiction over the Demised Premises, subject to any change in the number of beds required by any governmental authority solely as a result of changes in laws, rules and regulations relating to the physical attributes or the improvements on the Demised Premises. Except as otherwise specifically provided herein, no reduction in the number of beds shall entitle Lessee to any reduction or adjustment of the Rent payable hereunder, which shall be and continue to be payable by Lessee in the full amount set forth herein notwithstanding any such reduction in the number of beds. Lessee shall, within five (5) business days following its receipt thereof, provide Lessor with a copy of any notice from the New Jersey Department of Health or any federal, state or municipal governmental agency or authority regarding any reduction

in the number of beds and Lessor shall have the right to contest, by appropriate legal or administrative proceedings, any such reduction.

6.4 During the term hereof, Lessee shall only use the Demised Premises in accordance with Environmental Laws (as hereinafter defined) and shall not use nor permit the Demised Premises to be used for the treatment, storage or disposal of any Hazardous Substances (as hereinafter defined) nor for any purpose involving the use of Hazardous Substances; provided, however, that Lessee may use in and store at the Facility such materials and substances as are customarily used in skilled nursing facilities but only in such quantities as are reasonably necessary for the routine business operation of the Facility and such use and storage must in all cases comply with all applicable Environmental Laws. For purposes hereof "Hazardous Substances" shall mean any toxic or hazardous waste or pollutants, or substances, including, without limitation, asbestos, PCBs, petroleum products and by products, substances defined or listed as: "Hazardous Substances" or "Toxic Substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA") as amended, 42 U.S.C. § 9601, et seq., "Hazardous Materials" in the Hazardous Materials Transportation Act, 49 U.S.C. § 1802, et seq., "Hazardous Waste" in The Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq., any chemical substance or mixture regulated under the Toxic Substance Control Act of 1976, as amended, 15 U.S.C. § 2061, et seq., any "Toxic Pollutant" under the Clean Water Act, 33 U.S.C. § 1251, et seq., as amended, any "Hazardous Air Pollutant" under the Clean Air Act, 42 U.S.C. § 7401, et seq., and any hazardous or toxic substance or pollutant regulated under any other applicable federal, state or local Environmental Laws. "Environmental Laws" as used in this Lease means all federal, state and local environmental, health, or safety laws or regulations now or hereafter enacted applicable to the Demised Premises, including the Facility. Lessee hereby agrees to indemnify, defend and hold Lessor harmless from and against, and shall reimburse Lessor for any and all loss, claim, liability, damages, injunctive relief, injuries to persons, property or natural resources, cost, expense, action and causes of action in connection with the use, generation, treatment, storage, release or disposal of Hazardous Substances at or from the Demised Premises during the term of the Lease, which is caused by Lessee or its officers, directors, members, manager, agents, employees, contractors or invitees, including, without limitation, the cost of any required or necessary repair, cleanup or detoxification and the preparation of any closure or other required work to be performed, to the full extent that such action is attributable, directly or indirectly, to the use, generation, treatment, storage, release or disposal of Hazardous Substances on the Demised Premises during the term hereof.

ARTICLE VII - INSURANCE

7.1 Lessee shall, at its sole cost and expense, during the full term of this Lease, maintain fire and casualty insurance, with extended coverage endorsement, which includes coverage for malicious mischief and vandalism both on the Demised Premises and the Personal Property on the New Jersey standard form with a responsible company or companies designated by Lessee. Such insurance shall, at all times, be maintained in an amount equal to the full replacement value of the Demised Premises and Personal Property, but not less than that required by any Lender, but in any event in an amount sufficient to prevent Lessor and Lessee from becoming co-insurers under applicable provisions of the insurance policies. Such insurance shall at all times be payable to

Lessor and Lessee, as their interests may appear, and, if requested by Lessor, shall contain a loss-payable clause to Lender, as its interest may appear. Upon the reasonable request of Lessor, not more frequently than such time as required by Lessee's insurance carrier or the Lender, Lessee shall furnish, at its sole cost and expense, to Lessor and such insurance carrier, insurance appraisals in form and substance as are regularly and ordinarily made by insurance companies, in order to determine the then replacement value of the Demised Premises and Personal Property, and if such appraisal shows that the amount of casualty insurance maintained by Lessee hereunder is insufficient, the amount of insurance required by this Section 9.1 shall be adjusted accordingly.

7.2 Lessee shall also, at Lessee's sole cost and expense, cause to be issued and shall maintain during the entire term of this Lease:

(a) A public liability policy naming Lessor, Lender and Lessee, as insured, and insuring them against claims for bodily injury, or property damage occurring upon, in or about the Demised Premises, or in or upon the adjoining streets, sidewalks, passageways and areas, such insurance to afford protection to the limits reasonably established by Lessee in the operation of its business. Such public liability insurance may be self-insured by Lessee in accordance with its standard self insurance program.

(b) If there is a boiler, air conditioner or water heater located on the Demised Premises, boiler explosion insurance, in the amount of \$500,000.00, under the terms of which Lessor, Lender and Lessee will be indemnified, as their interests may appear, against any loss or damage which may result from any accident or casualty in connection with any such equipment used in the Demised Premises, whereby any person or persons may be injured or killed or property damaged in or about the Demised Premises.

(c) Professional malpractice insurance in the amount reasonably established by Lessee in the operations of its business (provided, however, Lessee shall not be required to include independent contractors under its insurance coverage).

7.3 All policies of insurance shall provide:

(a) They are carried in favor of the Lessor, Lessee, and any Lender, as their respective interests may appear, and any loss shall be payable as therein provided, notwithstanding any act or negligence of Lessor or Lessee, which might otherwise result in forfeiture of insurance; and

(b) They shall not be canceled, terminated, reduced or materially modified without at least thirty (30) days' prior written notice to Lessor; and

(c) A standard mortgagee and loss payee clause in favor of any Lender, and shall contain, if obtainable, a waiver of the insurer's right of subrogation against funds paid under the standard mortgagee and loss payee endorsement which are to be used to pay the cost of any repairing, rebuilding, restoring or replacing.

7.4 Certificates of insurance policies required by this Article shall be delivered to Lessor prior to or on the Commencement Date. Upon receipt thereof, Lessee shall deliver the actual policies to Lessor, which certificates and policies shall be updated annually not less than twenty (20) days prior to the expiration date thereof.

7.5 Anything in this Lease to the contrary notwithstanding, Lessee hereby waives and releases Lessor from any and all rights of recovery, claim, action or cause of action, against Lessor, its shareholders, managers, members, partners, agents, officers and employees, for any loss or damage that may occur to the Demised Premises or the Personal Property, which should be covered by property insurance of the type required to be carried by Lessee under this Lease (with Lessee also being responsible and, waiving all claims against Lessor, as to all deductible amounts which the Lessee chooses to maintain under its property insurance policies and as to any damages or losses relating to risks which Lessee elects to self-insure hereunder), regardless of cause or origin, including negligence of Lessor and its shareholders, managers, members, partners, agents, officers and employees. Lessee agrees to give immediately to its insurance companies which have issued policies of insurance covering any risk of direct physical loss, written notice of the terms of the waivers contained in this Section 9.5, and to have the insurance policies properly endorsed with a waiver of subrogation endorsement running to the benefit of Lessor. Lessee acknowledges that the waivers and releases set forth in this Section 9.5 are intended to result in any loss or damage which is covered by insurance being borne by the insurance carrier of Lessee, or by Lessee if such loss is not covered by insurance and this Lease required Lessee to maintain insurance to cover such loss or if Lessee elects to self-insure if this Lease permits such party to self-insure such loss. Lessee agrees that such waivers and releases were freely bargained for and willingly and voluntarily agreed to by Lessee and do not constitute a violation of public policy.

ARTICLE VIII - LESSOR'S RIGHT TO PERFORM

8.1 Should Lessee fail to perform any of its covenants (excluding, however, for purposes of this paragraph Lessee's covenant to pay rent) herein agreed to be performed, Lessor may, upon ten (10) days' prior notice specifying the work to be done, covenants to be performed and the approximate amount be expended, but shall not be required to, make such payment or perform such covenants, and all sums so expended by Lessor thereon shall upon notice of payment by Lessor be immediately payable by Lessee to Lessor, and in addition, Lessee shall reimburse Lessor for Lessor's reasonable expenses in enforcing or performing such covenants, including reasonable attorneys' fees. Any such costs or expenses incurred or payments made by the Lessor shall be deemed to be Additional Rent payable by Lessee and collectible as such by Lessor.

8.2 Performance of and/or payment to discharge said Lessee's obligations shall be optional with Lessor and such performance and payment shall in no way constitute a waiver of, or a limitation upon, Lessor's other rights and remedies hereunder, including, without limitation, Lessor's right to declare an Event of Default for such failure.

ARTICLE IX - REPAIRS, MAINTENANCE AND IMPROVEMENTS

9.1 Throughout the term of this Lease, Lessee, at its sole cost and expense, will keep and maintain, or cause to be kept and maintained, the Demised Premises (including the grounds, sidewalks and curbs abutting the same) and the Personal Property in good order and condition without waste and in a suitable state of repair at least comparable to that which existed immediately prior to the Commencement Date (ordinary wear and tear excepted), and will make or cause to be made, as and when the same shall become necessary, all structural and nonstructural, exterior and interior, replacing, repairing and restoring necessary to that end. All replacing, repairing and restoring required of Lessee shall be (in the reasonable opinion of Lessor) of comparable quality equal to the original work and shall be in compliance with all standards and requirements of law, licenses and municipal ordinances necessary to operate the Demised Premises as a skilled care nursing facility.

9.2 In all cases, subject to the terms and conditions of the Loan, in the event that any part of the improvements located on the Demised Premises or the Personal Property shall be damaged or destroyed by fire or other casualty (any such event being called a "Casualty"), Lessee shall promptly replace, repair and restore the same as nearly as possible to the condition it was in immediately prior to such Casualty, in accordance with all the terms, covenants and conditions and other requirements of this Lease, the Loan and any Mortgage applicable in the event of such Casualty. The Demised Premises and the Personal Property shall be so replaced, repaired and restored as to be of at least equal value and substantially the same character as on the Commencement Date. Lessee covenants that it will give to Lessor prompt written notice of any Casualty affecting the Demised Premises in excess of One Hundred Thousand Dollars (\$100,000.00). If the estimated cost of any such restoring, replacing or repairing is Two Hundred Fifty Thousand Dollars (\$250,000.00) or more, the plans and specifications for same shall be first submitted to and approved by Lessor, which approval shall not be unreasonably withheld or delayed, and Lessee shall select an independent architect or engineer approved by Lessor (which approval shall not be unreasonably withheld or delayed) who shall be in charge of such repairing, restoring or replacing. Provided that there is no uncured Event of Default by Lessee under the Lease, Lessee shall have the right, at any time and from time to time, to remove and dispose of any Personal Property which may have become obsolete or unfit for use, or which is no longer useful in the operation of the Demised Premises, provided Lessee promptly replaces any such Personal Property so removed or disposed of with other personal property free of any security interest, liens or encumbrances, and the replacement personal property shall be of the same character, and at least equal usefulness and quality to any such Personal Property so removed or disposed of and such replacement property shall automatically become the property of and shall belong to the Lessor and Lessee shall execute and deliver such bills of sale or other documents reasonably requested by Lessor to vest ownership of such replacement personal property in Lessor.

ARTICLE X - ALTERATIONS AND DEMOLITION

In all cases, subject to the terms and conditions of the Loan, Lessee will not remove or demolish the Demised Premises or any portion thereof or allow it to be removed or demolished, without the prior written consent of the Lessor. Lessee further agrees that it will not make,

authorize or permit to be made any changes or alterations in or to the Demised Premises, the cost of which in any twelve (12) month period exceeds One Hundred Thousand Dollars (\$100,000.00), without first obtaining the Lessor's written consent thereto which will not be unreasonably withheld or delayed. All alterations, improvements and additions to the Demised Premises shall be in quality and class at least equal to the original work and shall become the property of the Lessor and shall comply with all building and fire codes, and all other applicable codes, rules, regulations, laws and ordinances. Not less than forty-five days prior to the commencement of any such changes or alterations, the cost of which in any twelve (12) month period may exceed Two Hundred Fifty Thousand Dollars (\$250,000.00), Lessee shall furnish to Lessor, at Lessee's sole cost and expense, plans and specifications, prepared by a licensed architect, for such changes or alterations and any additional insurance reasonably required by Lessor. Such plans and drawings shall include detailed architectural, mechanical, electrical and plumbing working drawings. The plans and drawings will be subject to Lessor's approval with respect to design, aesthetics, building code compliance and such other matters as Lessor deems relevant, which approval shall not unreasonably be withheld or delayed.

ARTICLE XI - COMPLIANCE WITH LAWS AND ORDINANCES

11.1 Throughout the term of this Lease, Lessee, at its sole cost and expense, will obey, observe and promptly comply with all present and future laws, ordinances, orders, rules, regulations and requirements of any federal, state and municipal governmental agency or authority having jurisdiction over the Facility and the operation of the Facility as a skilled care nursing facility, which may be applicable to the Personal Property and the skilled care nursing facility located thereon and including, but not limited to, the sidewalks, alleyways, passageways, vacant land, parking spaces, curb cuts, curbs adjoining such portion of the Demised Premises, whether or not such law, ordinance, order, rules, regulation or requirement shall necessitate structural changes or improvements.

11.2 Lessee shall likewise observe and comply with the requirements of all policies of public liability and fire insurance and all other policies of insurance at any time in force with respect to any portion of the Demised Premises.

11.3 Lessee shall, subject to the terms of Article XX hereof, keep in good standing and in full force and effect all necessary licenses, permits and certifications required by any governmental authority for the purpose of maintaining and operating on the Demised Premises a skilled care nursing facility. Lessee shall use its best efforts to obtain a certificate to participate in the New Jersey Medicaid Program as soon as practicable after the Commencement Date. Thereafter, subject to the terms of Article XX hereof, Lessee shall at all times continue to be qualified to, and shall participate in, the New Jersey Medicaid Program.

11.4 Upon request of Lessor, Lessee will deliver or mail to Lessor wherever Rent is then paid, within seven (7) calendar days of receipt thereof, copies of all exit interviews, inspection reports and surveys which may have an adverse effect on the Facility's licensure status and/or the New Jersey Medicaid Program certification, and administrative hearing and/or court action from all state, federal and local governmental bodies regarding the Demised Premises or the Facility

operated thereon. Without request, Lessee shall in all events notify a principal of Lessor, or if Lessor's principals are unavailable, Lessor's attorney, within seven (7) calendar days after receipt thereof by the licensee of the Facility ("Licensee") of any and/or all of the following notices ("Notices") from any governmental authority: (i) any and all Notices of intent to impose and/or Notice of "immediate jeopardy" and/or of "Substandard Quality of Care" (as defined by federal regulations, *i.e.*, deficiencies under 42 CFR 483.13 or 483.25 with scope and severity levels of F, G, H, I, J, K or L) or any state equivalent Notices; (ii) any and all Notices or receipts of a conditional license; (iii) any and all Notices of intent to and/or Notice of revocation, termination, cancellation, surrender and/or of non-renewal of any license; (iv) any and all Notices of conditional certification and/or intent to conditionally certify Licensee; (v) any and all Notices of intent to terminate and/or Notice of Licensee's termination of participation in the New Jersey Medicaid Program; (vi) any and all Notices of intent to decertify and/or Notices of decertification of Licensee's participation in the New Jersey Medicaid Program and/or the termination of any payments thereunder; (vii) any and all Notices of intent to impose and/or the imposition of any Civil Monetary Penalty, and/or any fine in excess of \$25,000.00 in the aggregate for any survey cycle; (viii) any and all Notices of intent to cease payment after a certain date for any new New Jersey Medicaid Program residents admitted after said date; (ix) any and all Notices of intent to place, and/or the placement of, a state monitor in the Facility; and/or (x) any and all Notices to transfer and/or of intent to transfer any and/or all New Jersey Medicaid residents on and/or after a certain date.

ARTICLE XII - DISCHARGE OF LIENS

12.1 Subject to the terms and conditions of the Loan, and subject to the right to contest provided in Section 14.3 hereof, Lessee will not create or permit to be created or to remain, and Lessee will discharge, any lien, encumbrance or charge levied on account of any mechanic's, laborer's or materialman's lien or any conditional sale, security agreement or chattel mortgage, or otherwise, which might be or become a lien, encumbrance or charge upon the Demised Premises or any part thereof or the income therefrom or the Personal Property, for work or materials or personal property furnished or supplied to, or claimed to have been supplied to or at the request of Lessee. Lessee shall have the right to purchase equipment, furniture, or furnishings which may be subject to a security agreement provided that the stockholders, partners or members, as applicable, of Lessee shall personally guarantee to Lessor that all payments for any such equipment, furniture or furnishings shall be paid on or prior to the due dates thereof and indemnify Lessor against all charges, costs and expenses that may be incurred by Lessor with respect to such security agreement or chattel mortgage. Lessee hereby agrees to obtain and deliver to Lessor such guaranty and indemnity agreement.

12.2 If any mechanic's, laborer's or materialman's lien caused or charged to Lessee shall at any time be filed against any portion of the Demised Premises or Personal Property, if allowed by the terms of the Loan and the Mortgages, and the applicable Lender, Lessee shall have the right to contest such lien or charge.

12.3 In the event that Lessor determines in its reasonable judgment, that it is not being adequately represented by counsel for Lessee in any contest referred to in Section 14.2 hereof,

such party may, upon (10) days prior written notice to Lessee, obtain separate counsel to represent it in such contest. In such event, the cost of such counsel shall be paid by Lessor. In the event that Lessor reasonably determines, in its reasonable judgment, that Lessee has abandoned any contest referred to in Section 14.2 above, then such party may, upon (10) days' prior written notice to Lessee (with a copy to Lessee's lender), discharge such lien by paying the amount claimed to be due from the security deposited by Lessee pursuant to the terms of Section 14.2.

ARTICLE XIII - INSPECTION OF PREMISES AND RECORDS BY LESSOR

13.1 At any time, during reasonable business hours, Lessor and/or its authorized representatives shall have the right to enter and inspect the Demised Premises and Personal Property.

13.2 At any time, during reasonable business hours, Lessor and/or its authorized representatives shall have the right to inspect, and, at Lessor's expense, make copies of, the books and records relating to the Demised Premises, or any part thereof, including, without limitation, to the extent permitted by applicable law all patient records, employment records, surveys and inspections reasonably required by Lessor.

13.3 Lessor agrees that upon entering and inspecting the Demised Premises, Personal Property and books and records Lessor shall take all reasonable measures to avoid disruption to Lessee's routine business operation during any such entries and the person or persons will cause as little inconvenience to the Lessee, its employees and residents of the Demised Premises as may reasonably be possible under the circumstances.

ARTICLE XIV - CONDEMNATION

14.1 If all of the Demised Premises is taken by the exercise of the power of eminent domain, or sold under eminent domain proceedings, this Lease shall terminate as of the date possession is taken by the condemnor.

14.2 If less than all of the Demised Premises are taken by the exercise of the power of eminent domain or sold under eminent domain proceedings and Lessee reasonably believes that, in light of such exercise of eminent domain or sale pursuant to eminent domain proceedings, it can no longer operate the Facility in materially the same manner as prior to the exercise of eminent domain and such belief is consistent with reasonable business practices, then Lessee may either (a) terminate the Lease or, (b) subject to the consent and approval of Lessor and any Lender, shall, with reasonable diligence, restore or rebuild to the extent reasonably practicable any improvements upon the Demised Premises affected by the taking. In the event the amount awarded shall be insufficient to repair and restore the Demised Premises Lessee shall contribute the amount of any such deficiency. In the event that the number of beds is reduced or increased, even after the Demised Premises are restored under this Section, the Base Rent provided herein shall be proportionately increased (but only with respect to this paragraph) or decreased, as applicable, proportionately based upon the amount of such reduction or increase.

14.3 In the event of a total taking of the Demised Premises, each of Lessee and Lessor shall receive such portion of the award as is equal to the fair market value of their respective estate in the Demised Premises, subject in all events to the rights of any Mortgage.

ARTICLE XV - RENT ABSOLUTE

15.1 Except as herein provided damage to or destruction of any portion of the buildings, structures and fixtures upon the Demised Premises, by fire, the elements or any other cause whatsoever, whether with or without fault on the part of Lessee, shall not terminate this Lease or entitle Lessee to surrender the Demised Premises or entitle Lessee to any abatement of or reduction in the Rent payable, or otherwise affect the respective obligations of the parties hereto, any present or future law to the contrary notwithstanding.

ARTICLE XVI - ASSIGNMENT AND SUBLETTING

16.1 During the term of the Lease, Lessee shall not assign this Lease or in any manner whatsoever sublet, assign, encumber or transfer all or any part of the Demised Premises or in any manner whatsoever transfer, assign or encumber any interest in the Demised Premises or any interest in this Lease (hereinafter collectively an "Assignment") without the prior written consent of the Lessor, which consent may be withheld, in such party's sole discretion. As a condition of granting its consent to any sublease or assignment, Lessee shall pay, and Lessee hereby agrees to pay, any and all reasonable out of pocket third-party costs and expenses of Lessor incurred in connection with such sublease or assignment, including, without limitation, all due diligence costs and attorneys' fees.

16.2 For purposes of this Article:

(1) Any person, corporation, limited liability company or other entity to whom Lessee's interest under this Lease passes by operation of law, or otherwise, shall be bound by the provisions of this Article, and except as otherwise specifically provided above, obtain the consent of Lessor to any subsequent sublease, assignment, encumbrance and/or transfer or such event shall be deemed an Event of Default hereunder.

(2) An agreement by any person, corporation or other entity, directly or indirectly, to assume Lessee's obligations under this Lease shall be deemed an assignment.

ARTICLE XVII - EVENTS OF DEFAULT

17.1 The occurrence of any of the following acts or events shall be deemed to be a default ("Events of Default") on the part of the Lessee:

(1) The failure of Lessee to pay when due any Rent payment, or any part thereof, or any other sum or sums of money due or payable to the Lessor under the provisions of this Lease when such failure shall continue for a period of ten (10) calendar days after written notice from Lessor to Lessee;

(2) The failure of Lessee to perform, or the violation by Lessee of, any of the covenants, terms, conditions or provisions of this Lease, if such failure or violation shall not be cured within thirty (30) days after written notice thereof by Lessor to Lessee;

(3) The failure of Lessee to comply with, or the violation by Lessee of, any of the terms, conditions or provisions of the Loan or any Mortgage relating to the Demised Premises (except for those terms, conditions or provisions requiring the making of principal and/or interest payments or which relate specifically to Lessor, and/or its beneficiaries or stockholders), if such failure or violation shall not be cured within twenty (20) days (or such lesser period as may be provided by the Loan or any the Mortgage) after notice thereof by Lessor to Lessee;

(4) In the event Lessee removes a substantial portion of the Personal Property at the Facility or Lessee removes Personal Property necessary to the operation of the Facility, the failure of Lessee to replace within thirty (30) days after written notice by Lessor to Lessee, the Personal Property so removed by Lessee subject to the provisions of Section 30.1(c) hereof;

(5) The making by Lessee of an assignment for the benefit of creditors;

(6) The levying of a writ of execution or attachment on or against the property of Lessee which is not discharged or stayed by action of Lessee contesting same, within thirty (30) days after such levy or attachment (provided if the stay is vacated or ended, this paragraph shall again apply);

(7) If proceedings are instituted in a court of competent jurisdiction for the reorganization, liquidation or involuntary dissolution of the Lessee or for its adjudication as a bankrupt or insolvent, or for the appointment of a receiver of the property of Lessee, and said proceedings are not dismissed and any receiver, trustee or liquidator appointed therein discharged within sixty (60) days after the institution of said proceedings;

(8) The sale of the interest of Lessee in the Demised Premises under execution or other legal process;

(9) Any conveyance or transfer in violation of Article XVIII hereof;

(10) The abandonment of the Demised Premises by Lessee;

(11) Subject to Lessee's right to contest as provided in Article XX hereof, the failure or the part of Lessee during the term of this Lease to cure or abate any written violation claimed by any governmental authority, of any law, order, ordinance, rule or regulation pertaining to the operation of the Facility within the time permitted for such cure and/or abatement;

(12) Subject to Lessee's right to contest as provided in Article XX hereof, the institution of any proceedings against Lessee by any governmental authority either to: (i) revoke any license granted to Lessee for the operation of the Facility as a residential care facility or

requiring Lessee to cease operating its business; or (ii) decertify the Facility from participation in the New Jersey Medicaid Program; or

(13) The failure of Lessee to comply with the terms of any insurance policy affecting the Demised Premises and required hereunder within the time provided in such policy to cure such non-compliance prior to cancellation thereof; provided, however, that Lessee shall not be in default hereunder if prior to the cancellation of such policy of insurance Lessee obtains a replacement thereof.

The occurrence of any of the events listed in this Article 19 by any party to whom the Demised Premises has been transferred shall be an Event of Default hereunder.

ARTICLE XVIII - RIGHT TO CONTEST/CURE

18.1 Anything to the contrary stated herein notwithstanding, Lessee shall have the right to contest by appropriate administrative and/or legal proceedings, diligently conducted in good faith, the validity or application of any law, ordinance, regulation or rule mentioned herein, and to delay compliance therewith pending the prosecution of such proceedings, including, without limitation, any proceeding pursuant to paragraphs 19.1(11) and/or 19.1(12) above. In the event such contest involves a violation, the decertification or license revocation from the New Jersey Medicaid Program shall give Lessor written notice of its election to contest. Notwithstanding anything to the contrary contained herein, Lessee shall not be in default hereunder provided that: (1) no civil or criminal liability would thereby be incurred by Lessor and no lien or charge would thereby be imposed upon or satisfied out of the Demised Premises; (ii) there continues during the course of such contest authority to continue operations of the Facility as a nursing home facility (which may be temporary or provisional); and (iii) such situation does not cause Lessor to be in default pursuant to the terms of the Loan or any Mortgage.

18.2 Except for an Event of Default of Lessee in the payment of Rent or any other payment required hereunder, in any case where Lessor shall have given to Lessee a written notice specifying a situation which, as hereinbefore provided, must be remedied by Lessee within a certain time period, and, if for causes beyond Lessee's control, it would not reasonably be possible for Lessee to remedy such situation within such period, then, provided Lessee, immediately upon receipt of such notice, shall advise Lessor of Lessee's intention to institute, and shall, as soon as reasonably possible thereafter, duly institute, and thereafter diligently prosecute to completion, all steps necessary to remedy such situation and shall remedy the same, during the period necessary to remedy such situation, notwithstanding anything to the contrary contained herein, although such situation shall be deemed an Event of Default hereunder, Lessor shall not pursue and shall not be entitled to pursue any remedies arising solely from the occurrence of such Event of Default hereunder, provided, however, that: (i) no civil or criminal liability would thereby be incurred by Lessor and no lien or charge would thereby be imposed upon or satisfied out of all or any part of the Demised Premises; and (ii) there continues during such remedy authority to continue to operate the Facility as a residential care facility (which may be temporary or provisional), and (iii) such situation does not cause Lessor to be in default pursuant to the terms of the Loan or any Mortgage.

18.3 Lessee shall promptly provide Lessor with a copy of any notice from the New Jersey Department of Health or other governmental authority or agency threatening or requesting a reduction in the number of beds at the Facility. Lessee shall have the right to contest any such reduction and shall notify Lessor within fifteen (15) days following the date of such notice (or shorter period required to provide notice to Lessor not later than ten (10) days prior to the cutoff date for any such contest) whether or not Lessee shall undertake such contest. If Lessee fails to contest any such reduction, Lessor may, following written notice to Lessee of its intent to do so, contest any such reduction. Any such contest shall be conducted by counsel reasonably satisfactory to the other party and the cost of such contest shall be paid by Lessee.

ARTICLE XIX - LESSOR'S REMEDIES UPON DEFAULT

19.1 In the event of any Event of Default by Lessee, Lessor may, if it so elects, and with notice of such election to Lessee, and upon demand upon Lessee, forthwith terminate this Lease and Lessee's right to possession of the Demised Premises, or, at the option of the Lessor, terminate Lessee's right to possession of the Demised Premises without terminating this Lease. Upon any such termination of this Lease, or upon any such termination of Lessee's right to possession without termination of this Lease, Lessee shall vacate the Demised Premises immediately, and shall quietly and peaceably deliver possession thereof to the Lessor, and Lessee hereby grants to the Lessor full and free license to enter into and upon the Demised Premises in such event with process of law and to repossess the Demised Premises and Personal Property as the Lessor's former estate. In the event of any such termination of this Lease, the Lessor shall again have possession and enjoyment of the Demised Premises and Personal Property to the extent as if this Lease had not been made, and thereupon this Lease and everything herein contained on the part of Lessee to be done and performed shall cease and terminate, all, however, without prejudice to and without relinquishing the rights of the Lessor to Rent (which, upon such termination of this Lease and entry of Lessor upon the Demised Premises, shall, in any event, be the right to receive Rent due up to the time of such entry) or any other right given to the Lessor hereunder or by operation of law.

19.2 In the event of an Event of Default and Lessor elects either to terminate this Lease or to terminate Lessee's right to possession of the Demised Premises, then all licenses, certifications, permits and authorizations issued by any governmental agency, body or authority in connection with or relating to the Demised Premises and the Facility thereon shall be deemed as being assigned to Lessor to the extent the same are legally assignable. Lessor shall also have the right to continue to utilize the telephone number and name used by Lessee in connection with the operation of the Facility. This Lease shall be deemed and construed as an assignment for purposes of vesting in Lessor all right, title and interest in and to (i) all licenses, certifications, permits and authorizations obtained in connection with the operation of the Facility and (ii) the names and telephone numbers used in connection with the operation of the Facility. Lessee hereby agrees to take such other action and execute such other documents as may be reasonably necessary in order to vest in Lessor all right, title and interest to the items specified herein.

19.3 If Lessee abandons the Demised Premises or otherwise entitles Lessor so to elect, and the Lessor elects to terminate Lessee's right to possession only, without terminating this Lease, Lessor may, at its option, enter into the Demised Premises, remove Lessee's signs and other

evidences of tenancy and take and hold possession thereof as in the foregoing Section 21.1 of this Article provided, without such entry and possession terminating this Lease or releasing Lessee, in whole or in part, from Lessee's obligation to pay the Rent hereunder for the full remaining term of this Lease, and in any such case, Lessee shall pay to Lessor a sum equal to the entire amount of the Rent reserved hereunder and required to be paid by Lessee up to the time of such termination of the right of possession plus any other sums then due hereunder. Upon and after entry into possession without termination of this Lease, Lessor may attempt to relet the Demised Premises or any part thereof for the account of Lessee for such rent, or may operate the Facility for such time and upon such terms as Lessor in its sole discretion shall determine. In the event Lessor elects to take possession and operate the Demised Premises any profits due to such operation shall reduce the rents payable hereunder. In any such case, Lessor may make repairs, alterations and additions in or to the Demised Premises, to the extent reasonably deemed by Lessor desirable, and Lessee shall, upon demand, pay the cost thereof, together with Lessor's expenses of reletting. If the consideration collected by Lessor upon any such reletting is not sufficient to pay monthly the full amount of Rent reserved in this Lease, together with the costs of repairs, alterations and additions and Lessor's expenses, Lessee shall pay to the Lessor the amount of each monthly deficiency upon demand.

19.4 Lessee's liability to Lessor for damages upon the occurrence of an Event of Default shall in all events survive the termination by Lessor of the Lease or the termination by Lessor of Lessee's right to possession only, as hereinabove provided. Upon such termination of the Lease or at any time after such termination of Lessee's right to possession, Lessor may recover from Lessee and Lessee shall pay to Lessor as liquidated and final damages, whether or not Lessor shall have collected any current monthly deficiencies under the foregoing paragraph, and in lieu of such current deficiencies after the date of demand for such final damages, the amount thereof found to be due by a court of competent jurisdiction, which amount thus found shall be equal to:

- (a) the remainder, if any, of Rent and charges due from Lessee for the period up to and including the date of the termination of the Lease or Lessee's right to possession; plus
- (b) the amount of any current monthly deficiencies accruing and unpaid by Lessee up to and including the date of Lessor's demand for final damages hereunder; plus
- (c) the excess, if any, of
 - (i) the Rent reserved for what would have been the remainder of the term of this Lease together with charges to be paid by Lessee under the Lease; over
 - (ii) the then fair rental value of the Demised Premises and the Personal Property.

If any statute or rule governing a proceeding in which such liquidated final damages are to be proved shall validly limit the amount thereof to an amount less than the amount above agreed upon, Lessor shall be entitled to the maximum amount allowable under such statute or rule of law.

19.5 No receipt of funds by Lessor from Lessee after service of any notice of an Event of Default, termination of this Lease or of possession of the Demised Premises or after commencement of any suit or proceeding of Lessee shall in any way reinstate, continue or extend this Lease or in any way affect the notice of the Event of Default or demand or in any way be deemed a waiver by Lessor of any of its rights unless consented to by Lessor.

ARTICLE XX - LIABILITY OF LESSOR

It is expressly agreed by the parties that in no case shall Lessor be liable, under any express or implied covenant, agreement or provisions of this Lease, for any damages whatsoever to Lessee beyond the Rent reserved in this Lease accruing after or upon any act or breach hereunder on the part of Lessor and for which damages may be sought or recovered from Lessor, and there shall be no personal liability hereunder on any partners, shareholders, members, directors, officers or employees of beneficiary of Lessor with respect to the terms, covenants, conditions or undertakings or agreements contained in this Lease, and Lessee shall look solely to Lessor's interest in this Lease and not to any of the foregoing for the satisfaction of any remedy which Lessee may have under this Lease.

ARTICLE XXI - CUMULATIVE REMEDIES OF LESSOR

Except as provided in Section 21.4, the specific remedies to which Lessor may resort under the terms of this Lease are cumulative and are not intended to be exclusive of any other remedies or means of redress to which Lessor may be lawfully entitled in case of any breach or threatened breach by Lessee of any provision or provisions of this Lease. The failure of Lessor to insist, in any one or more cases, upon the strict performance of any of the terms, covenants, conditions, provisions or agreements of this Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment for the future of any such term, covenant, condition, provisions, agreement or option.

ARTICLE XXII - INDEMNIFICATION

22.1 Lessee agrees to protect, indemnify and save harmless the Lessor from and against any and all claims, demands and causes of action of any nature whatsoever asserted against or incurred by such parties on account of: (i) any failure on the part of Lessee during the term of this Lease to perform or comply with any of the terms of this Lease; or (ii) injury to or death of persons or loss of or damage to property, occurring on the Demised Premises or any adjoining sidewalks, streets or ways or in any manner growing out of or connected with the use or occupation of the Demised Premises or the condition thereof, or the use of any existing or future sewer system, or the use of any adjoining sidewalks, streets or ways occurring during the term of this Lease. Lessee further agrees to pay any reasonable attorneys' fees and expenses incident to the defense by such parties of any such claims, demands or causes of action.

ARTICLE XXIII - SUBORDINATION PROVISIONS

23.1 This Lease (and Lessee's interest in the Demised Premises and Personal Property) shall be subject and subordinate to the Loan and to any Mortgage given by Lessor to any lender which may affect the Demised Premises and/or Personal Property, and to all renewals, modifications, consolidations, replacements and extensions thereof. Lessee shall execute and deliver such documents as may be required in order to evidence such subordination; provided that such documents shall not affect any of the provisions of this Lease relating to the amount of Rent, the purposes for which the Demised Premises may be used, the size and/or location of the Demised Premises, the duration and/or Commencement Date of the term, nor modify any representations, covenants or warranties made by Lessor hereunder.

23.2 Notwithstanding anything to the contrary contained herein, it is understood, agreed and acknowledged that Lessor shall have the right at any time to finance, or refinance, from time to time, the Demised Premises and Personal Property in any amount, and grant a mortgage, deed of trust and/or security interest thereon, to assign or pledge any or all of its interest in this Lease, and to assign or pledge the revenues and receipts to be received by Lessor hereunder to a third party without the consent of Lessee.

ARTICLE XXIV - LESSEE'S FAITHFUL COMPLIANCE WITH MORTGAGE

Anything in this Lease contained to the contrary notwithstanding, and provided that Lessor has complied with Section 26.2, Lessee shall at all times and in all respects fully, timely and faithfully comply with and observe each and all of the conditions, covenants, and provisions required on the part of the Lessor under the Loan and any Mortgage (and to any renewals, modifications, extensions, replacements and/or consolidations thereof) to which this Lease is subordinate or to which it later may become subordinate, including, without limitation, such conditions, covenants and provisions thereof as relate to the care, maintenance, repair, insurance, restoration, preservation and condemnation of the Demised Premises, notwithstanding that such conditions, covenants and provisions may require compliance and observance to a standard or degree in excess of that required by the provisions of this Lease, or may require performance not required by the provisions of this Lease; provided, however, except to the extent that reserves or escrows are required under the Loan or any Mortgage for the payment of Taxes and Assessments and for insurance, Lessee shall not be required to make payments on account of any reserves or escrows, including without limitation any construction, replacement or repayment reserve or escrow required by any new Lender. If any new Lender requires compliance, observance or performance to a standard or degree in excess of that required by the terms of the Mortgage and this Lease, Lessee shall comply with such standard, degree or additional performance; provided, however, that the amount by which the third party costs expended by Lessee to achieve such standard, degree or additional performance exceed the third party costs to achieve the standard of performance required by the Mortgage and this Lease shall be paid by Lessor. Lessee further agrees that it shall not do or permit to be done anything which would constitute a breach of or default under any obligation of the Lessor under any Mortgage, it being the intention hereof that Lessee shall so comply with and observe each and all of such covenants, conditions and provisions of any Mortgage so that they will at all times be in good standing and there will not be any default

on the part of the Lessor thereunder. However, nothing in this Article contained shall be construed to obligate Lessee to pay any part of the principal or interest secured by any Mortgage, except as may otherwise be provided in this Lease.

ARTICLE XXV - MORTGAGE RESERVES

Any tax or insurance reserve required under the Loan or any Mortgage by the Lender thereof during the term of this Lease shall be paid by the Lessee to Lessor and shall be repaid to Lessee when Lender repays such sums to Lessor.

ARTICLE XXVI - LESSEE'S ATTORNMENT

26.1 Lessee covenants and agrees that, if by reason of a default upon the part of the Lessor in the performance of any of the terms and conditions of the Loan or any Mortgage, and the Lender forecloses on the estate of Lessor in the Demised Premises, Lessee will attorn to the then holder of such Mortgage or the purchaser in such foreclosure proceedings, as the case may be, and will recognize such holder of the Mortgage or such purchaser as the Lessor under this Lease. Lessee covenants and agrees to execute and deliver, at any time and from time to time, upon the request of Lessor, or of the holder of such Mortgage or the purchaser in foreclosure proceedings, any instrument which may be necessary or appropriate to evidence such attornment. Lessee further waives the provisions of any statute or rule or law now or hereafter in effect which may terminate this Lease or give or purport to give Lessee any right of election to terminate this Lease or to surrender possession of the Demised Premises in the event any such proceedings are brought against the Lessor under such Mortgage or the holder of any such Mortgage, and agrees that this Lease shall not be affected in any way whatsoever by any such proceedings, except to the extent designated and determined by Lender pursuant to the terms of the Lease, the Subordination Agreement, Mortgage or any of the other loan documents.

ARTICLE XXVII - REPRESENTATIONS

27.1 Lessee represents and covenants to Lessor as follows:

(a) Lessee is a New Jersey limited liability company, duly organized and validly existing in good standing under the laws of the State of New Jersey, and has full right and power to cause Lessee to enter into, and perform its obligations under this Lease and has taken all requisite actions to authorize the execution, delivery and performance of this Lease;

(b) Lessee has examined the Demised Premises, Personal Property, contracts relating to the Facility and/or to the Demised Premises and the improvements and the skilled care nursing facility thereon prior to its acceptance and execution of this Lease, and Lessee acknowledges that except as expressly stated herein no representation or warranty, express or implied, has been made by or on behalf of Lessor with respect to the condition of the Demised Premises and Personal Property. Lessee represents that it is satisfied with the condition thereof and is leasing the Demised Premises, improvements and Personal Property in "AS IS"/"WHERE

IS” condition, and Lessor shall in no event whatsoever be liable for any latent or patent defects therein;

(c) In addition to all other covenants contained herein, Lessee expressly covenants that it shall keep and maintain at the Facility at all times in good order and repair all items of Personal Property necessary for operating the Facility as a skilled care nursing facility in substantial compliance with all laws, rules and regulations of the New Jersey Department of Health. Lessee shall maintain all of such items in good order and repair and shall promptly replace any such items which become obsolete, damaged or destroyed with substitute items substantially equivalent to that which has been replaced;

(d) Until Lessee shall have fully satisfied all of its obligations under this Lease, Lessee shall maintain its organizational existence as a limited liability company, and shall not, without the prior written consent of Lessor, dissolve, liquidate or otherwise dispose of all or substantially all of its assets or consolidate with or merge into another entity, or permit one or more other entities to consolidate with or merge into it;

ARTICLE XXVIII – PRIOR LIABILITIES

28.1 Lessee acknowledges that Lessor shall have no liability to Lessee with respect to the operations of the Facility for the periods prior to the Commencement Date relating to accounts receivable, accounts payable, prorations, inventory, patient trust funds and employee benefits.

28.2 Lessor shall not be liable for amounts claimed by the New Jersey Department of Health or any other governmental authority or agency to have been overpayments made to the prior operator of the Facility with respect to periods prior to the Commencement Date.

ARTICLE XXIX - LICENSURE PROVISIONS

29.1 It shall be a condition precedent to the effectiveness of this Lease that Lessee has a license or a valid right to use a license permitting Lessee to operate the Facility as a skilled nursing care facility (hereinafter collectively called the “License”).

ARTICLE XXX - FINANCIAL STATEMENTS

30.1 Lessee shall furnish to the Lender such financial statements and tax returns which shall be certified by an officer of Lessee or a public accountant to the extent required under the Loan or any Mortgage.

30.2 At all times, Lessee shall keep and maintain full and correct records and books of account of the operations of Lessee in the Demised Premises and records and books of account of the entire business operations of Lessee in accordance with normal accounting practices consistently applied. Upon request by Lessor, from time to time, but not more than one (1) time a year, and such additional inspections which are required by any Lender, Lessee shall make available for inspection by Lessor or its designee, during reasonable business hours, at Lessee’s

offices, the said records and books of account covering the entire business operations of Lessee on the Demised Premises.

ARTICLE XXXI - MISCELLANEOUS

31.1 Lessee, upon paying the Rent and all other charges herein provided, and for observing and keeping the covenants, agreements, terms and conditions of this Lease on its part to be performed, shall lawfully and quietly hold, occupy and enjoy the Demised Premises during the term of this Lease, and subject to its terms, without hindrance by Lessor or by any other person or persons claiming under Lessor.

31.2 All payments to be made by the Lessee hereunder in addition to Base Rent, whether or not designated as Additional Rent, shall be deemed Additional Rent, so that in default of payment when due, the Lessor shall be entitled to all of the remedies available at law or equity, or under this Lease, for the nonpayment of Rent. Base Rent and Additional Rent are sometimes referred to collectively herein as "Rent".

31.3 It is understood and agreed that the granting of any consent by Lessor to Lessee to perform any act of Lessee requiring Lessor's consent under the terms of this Lease, or the failure on the part of Lessor to object to any such action taken by Lessee without Lessor's consent, shall not be deemed a waiver by Lessor of its rights to require such consent for any further similar act by Lessee, and Lessee hereby expressly covenants and warrants that as to all matters requiring Lessor's consent under the terms of this Lease, Lessee shall secure such consent for each and every happening of the event requiring such consent, and shall not claim any waiver on the part of Lessor of the requirement to secure such consent.

31.4 Each of Lessor and Lessee represents and warrants to the other that it has not dealt with any broker or finder in connection with this Lease. Lessor and Lessee each covenant and agree to indemnify and hold harmless the other from and against any and all costs, expenses, liabilities, claims, demands, suits, judgments and interest, including, without being limited to, reasonable attorneys' fees and disbursements, arising out of or in connection with any claim by any broker or agent with respect to this Lease, the negotiation of this Lease or the transactions contemplated herein based upon the acts of the indemnifying party.

31.5 If an action shall be brought to recover any Rent under this Lease, or for or on account of any breach of or to enforce or interpret any of the terms, covenants or conditions of this Lease, or for the recovery of possession of the Demised Premises, the prevailing party shall be entitled to recover from the other party, as part of the prevailing party's costs, reasonable attorneys' fees, the amount of which shall be fixed by the court and shall be made a part of any judgment rendered.

31.6 Should Lessee hold possession hereunder after the expiration of the term of this Lease with or without the consent of Lessor, Lessee shall become a tenant on a month-to-month basis upon all the terms, covenants and conditions herein specified, excepting however that Lessee

shall pay Lessor a monthly rental, for the period of such month-to-month tenancy, in an amount equal to 150% the last Rent specified.

31.7 All notices, demands or requests which may or are required to be given by either party to the other shall be in writing and shall be sent by (i) personal delivery; (ii) Federal Express or other national overnight courier service; or (iii) United States certified mail, return receipt requested, addressed to the other party hereto at the last known address of such party. Notices shall be effective upon receipt or refusal thereof.

31.8 Upon request of either party, Lessor and Lessee agree to execute and deliver a short form lease and option in recordable form so that the same may be recorded by either party.

31.9 Each party agrees at any time, and from time to time, upon not less than ten (10) days' prior written request from the other party, to execute, acknowledge and deliver to the other party a statement in writing, certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified, and stating the modifications), the dates to which the Rent has been paid, the amount of the Additional Rent held by Lessor, and whether to the best knowledge of such party an Event of Default has occurred or whether any events have occurred which, with the giving of notice or the passage of time, or both, could constitute an Event of Default hereunder, it being intended that any such statement delivered pursuant to this paragraph may be relied upon by any prospective assignee, lender or purchaser of the fee interest in the Demised Premises or of this Lease.

31.10 All of the provisions of this Lease shall be deemed and construed to be "conditions" and "covenants" as though the words specifically expressing or importing covenants and conditions were used in each separate provision hereof.

31.11 Any reference herein to the termination of this Lease shall be deemed to include any termination thereof by expiration, or pursuant to Articles referring to earlier termination.

31.12 The headings and titles in this Lease are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of this Lease, nor in any way affect this Lease.

31.13 This Lease contains the entire agreement between the parties and any executory agreement hereafter made shall be ineffective to change, modify or discharge it in whole or in part unless such executory agreement is in writing and signed by the party against whom enforcement of the change, modification or discharge is sought. This Lease cannot be changed orally or terminated orally.

31.14 Except as otherwise herein expressly provided, the covenants, conditions and agreements in this Lease shall bind and inure to the benefit of the Lessor and Lessee and their respective successors and assigns.

34.15 All nouns and pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons, firm or firms, corporation or corporations, entity or entities or any other thing or things may require.

34.16 If any term or provision of this Lease shall to any extent be held invalid or unenforceable, the remaining terms and provisions of this Lease shall not be affected thereby, but each term and provision shall be valid and be enforced to the fullest extent permitted by law.

34.17 Notwithstanding anything to the contrary contained herein, and except as otherwise provided in this Lease, there shall be no personal liability hereunder on any partners, shareholders, members, directors, officers, employees or trustees of Lessee, with respect to the terms, covenants, conditions, undertakings or agreements contained in this Lease and Lessor shall look solely to Lessee, and not to any such partners, shareholders, members, directors, officers, employees or trustees of Lessee for the satisfaction of each and every remedy which Lessor may have hereunder.

34.18 It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, warranties, covenants, undertakings and agreements herein and in the Lease made on the part of Lessor while in form purporting to be the representations, warranties, covenants, undertakings and agreements of Lessor are nevertheless each and every one of them made and intended, not as personal representations, warranties, covenants, undertakings and agreements by Lessor or for the purpose or with the intention of binding Lessor personally, but are made and intended for the purpose only of subjecting Lessor's interest in the Demised Premises to the terms of the Lease, and for no other purpose whatsoever and in case of default hereunder by Lessor (or default through, under or by any of its beneficiaries, or agents or representatives of said beneficiaries), Lessee shall look solely to the interests of Lessor in the Demised Premises; that, if Lessor is a land trust, the Lease is executed and delivered by Lessor not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee; that neither the Lessor nor any of Lessor's shareholders, officers, directors, members, managers, partners, beneficiaries or agents shall have any personal liability to pay any indebtedness accruing hereunder or to perform any covenant, either express or implied, herein contained, and no liability or duty shall rest upon Lessor to sequester the Demised Premises (or the trust estate) or the rents, issues and profits arising therefrom, or the proceeds arising from any sale or other disposition thereof; and that no personal liability or personal responsibility of any sort is assumed by, nor shall at any time be asserted or enforceable against said Lessor or any of Lessor's shareholders, officers, directors, members, managers, partners, beneficiaries or agents, on account of the Lease or on account of any representation, warranty, covenant, undertaking or agreement of Lessor contained in the Lease, either express or implied, all such personal liability, if any, being expressly waived and released by Lessee and by all persons claiming by, through or under Lessee.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be signed by persons authorized so to do on behalf of each of them respectively the day and year first above written.

LESSOR:

POINT VIEW PROPCO LLC a New Jersey limited liability company

By: 
Name:
Title:

LESSEE:

POINT VIEW CARE AND REHAB CENTER LLC, a New Jersey limited liability company, **DBA BERKSHIRE POST ACUTE CARE AT WAYNE**

By: 
Name:
Title:

EXHIBIT A

DEMISED PREMISES

ALL that (those) certain lot(s), tract(s) or parcel(s) of land, with the buildings and improvements thereon erected, situate, lying and being in the Township of Wayne, County of Passaic, and State of New Jersey and is bounded and described as follows:

BEGINNING at a point on the easterly sideline of Black Oak Ridge Road (33 feet from the centerline) on the division line of lands now or formerly of Talat and Olga L. Bay on the north and lands herein described on the south and; running thence

- (1) North 88 degrees 02 minutes 50 seconds East 167.88 feet to a point along the same; thence
- (2) South 11 degrees 46 minutes 00 seconds East, and parallel with Paterson Hamburg Turnpike and 300 feet westerly therefrom, 471.25 feet to a point in the northerly line of lands now or formerly of William Reda; thence
- (3) South 79 degrees 00 minutes 00 seconds West, 454.94 feet along said lands now or formerly of William Reda to the easterly sideline of Black Oak Ridge Road; thence
- (4) North 12 degrees 02 minutes 40 seconds East 173.21 feet to a bend in the same; thence
- (5) Northerly, still along same on a curve to the right having a radius of 1113.280 feet, an arc distance of 280.445 feet; thence
- (6) North 26 degrees 28 minutes 40 seconds East 121.76 feet still along the said Black Oak Ridge Road to the point or place of BEGINNING.

SUBJECT TO THE RECEIPT AND REVIEW OF A CURRENT, ACCEPTABLE SURVEY. FOR INFORMATIONAL PURPOSES ONLY: BEING known as Tax Lot 12, in Tax Block 3600, on the Official Tax Map of the Township of Wayne.

FOR INFORMATIONAL PURPOSES ONLY: The mailing address is: 1140 Black Oak Ridge Road, Wayne, New Jersey 07470.

ADMINISTRATIVE SERVICES AGREEMENT

ADMINISTRATIVE SERVICES AGREEMENT (this “Agreement”) dated and effective as of January 1, 2025 (the “Effective Date”) by and between POINT VIEW CARE AND REHAB CENTER, a New Jersey limited liability company d/b/a Berkshire Post Acute Care at Wayne (“Service Provider”), and LLANFAIR HOUSE CARE & REHABILITATION CENTER, LLC, a New Jersey limited liability company (“Operator”). Operator and Service Provider are sometimes referred to herein as the “Parties,” and individually as a “Party.”

RECITALS

A. Operator operates the one hundred and eighty (180) licensed bed skilled nursing facility commonly known as “Llanfair House Care and Rehabilitation Center” or “Llanfair Care and Rehabilitation” and located at 1140 Black Oak Ridge Road, Wayne, NJ 07470 “Facility”).

B. Operator and Service Provider have entered into an Operations Transfer Agreement, dated as of September 26, 2024 (as such agreement may from time to time be amended, modified, supplemented and/or assigned in accordance with its terms, the “OTA”) to facilitate an orderly transition of the Facility’s operations from Operator (the “Transfer”) to Service Provider.

C. Service Provider is engaged in the business of providing the personnel and administrative services set forth on Schedule 1.1(a) attached hereto, which are useful or necessary in the operation of the Facility.

D. Operator desires to retain Service Provider to provide certain personnel and administrative services as set forth on Schedule 1.1(a) as may be useful or necessary for the operation of the Facility pending the consummation of the Transfer.

E. Operator and Service Provider have determined the fair market value for Service Provider’s services hereunder, and based on this fair market value, have developed a formula for compensating Service Provider that will allow the Parties to devote their skills to those tasks and functions identified in this Agreement.

F. The Parties have elected to enter into this Agreement to memorialize their obligations, as well as their agreements with respect to the provision of the Administrative Services (as herein defined) by Service Provider to Operator pending the consummation of the transactions contemplated by the OTA.

NOW, THEREFORE, intending to be legally bound hereby, and in consideration of the promises and mutual covenants contained herein and the representations in the background section above, Service Provider and Operator agree as follows:

1. ENGAGEMENT AND DUTIES OF SERVICE PROVIDER.

1.1 Administrative Services.

(a) Operator hereby engages Service Provider, on an exclusive basis, to provide the administrative, personnel and other non-professional services required by Operator in connection with the operation of the Facility set forth on Schedule 1.1(a) attached hereto (collectively, the “Administrative Services”), provided, however, that Service Provider and Operator acknowledge and agree that Operator is not delegating to Service Provider any powers, duties or responsibilities which it is prohibited by law from delegating and that Operator shall retain all authority required by law to be retained by a licensed operator of the Facility. Service Provider hereby accepts such engagement, and agrees to render the Administrative Services in accordance with the terms and conditions contained in this Agreement.

(b) Operator acknowledges and agrees that, except as permitted by applicable law, Service Provider is not engaged in the practice of medicine or in the provision of clinical healthcare services and nothing herein shall require, obligate or permit Service Provider to engage in any such activities or permit Service Provider to interfere with the physician-patient relationship between Operator, its clinical personnel and the residents of the Facility. In performing the services set forth in this Agreement, Service Provider shall not exercise any control over matters involving the exercise of professional medical judgment and, notwithstanding any contrary provision contained herein, nothing in this Agreement shall be deemed to delegate to Service Provider any powers, duties or obligations which may not be delegated by Operator under applicable law relating to the practice of medicine or the operation of the Facility.

(c) Service Provider is authorized by and in the name of the Operator to collect all accounts receivable arising from the operation of the Facility including the provision of goods or services by the Operator, whether prior to or after the Effective Date, and to invoice and bill all patients and other payors, including governmental payors and insurers, for the provision of goods or services by the Operator from and after the Effective Date, through Operator’s subcontract or, at Service Provider’s sole discretion, a new subcontract by Service Provider, in accordance with Schedule 1.1(a); to deposit all funds, income and revenue in the Facility’s bank accounts (the “Accounts”) (for which only a representative of Service Provider shall be a signatory), which accounts are set forth on Schedule 3, and to apply such funds to the payment of all liabilities, obligations and expenses arising in connection with the operation of the Facility as hereinafter provided.

(d) Nothing contained in this Agreement shall be construed as a transfer of Operator’s license to operate the Facility, either during the term of this Agreement or otherwise.

1.2 Responsibilities of Operator.

(a) Compliance with Law. Nothing contained in this Agreement shall in any way abrogate the responsibilities of Operator and its governing body for statutory and regulatory compliance in connection with the operation of the Facility, and Operator shall not delegate or assign to Service Provider any duty or responsibility that must be retained by Operator under applicable federal, state and local laws, rules and regulations.

(b) Accuracy of Documentation. Operator shall be responsible for the accuracy of all reports, books and records, report summaries, insurance forms, bills and other claims for payment for all professional services provided by Operator

(c) Employees; Licensed Health Professionals. Except as provided in this Section 1.2(c), Operator shall terminate all of the employees of the Facility as of the Effective Date. Notwithstanding the foregoing, to the extent required under applicable federal and state laws, rules and regulations, Operator shall have control of and responsibility for the hiring, engagement, compensation, supervision, training, evaluation and termination of any professional staff employed or engaged by or under contract with Operator and other licensed health care professional employees. The foregoing shall not limit or restrict Operator's obligation to consult with Service Provider with respect to the foregoing.

(d) Operator shall permit Service Provider access to the Facility and will allow Service Provider to examine and copy any data in the possession and control of Operator affecting management and/or operation of the Facility.

(e) Insurance. Service Provider shall cause premiums for insurance policies for the ongoing operation of the Facility to be paid from Facility's receipts and management account to be maintained and administered by Service Provider pursuant to this Agreement. Service Provider shall coordinate and procure replacement insurance policies for the insurance policies maintained by Operator with respect to the Facility, including the professional liability policy. Any replacement policies shall name Operator as an additional insured.

2. SERVICE PROVIDER FEES.

2.1 Administrative Fees. Service Provider and Operator hereby acknowledge that Service Provider has and will incur substantial costs and expenses in providing the Administrative Services set forth in this Agreement, and that such costs and expenses will vary during the term of this Agreement. In consideration thereof, Operator hereby agrees to pay to Service Provider an administrative fee (the "Administrative Fee") as set forth in Schedule 2.

2.2 Operating Liabilities. Service Provider shall be responsible for any costs, and expenses of the Facility arising, and attributable to the operation of the Facility by Service Provider, on and after the Effective Date and during the term of this Agreement ("Operating Liabilities"), which Service Provider may pay, when due, from cash flow arising from or attributable to the operations of the Facility during the term of this Agreement (the "Contract Term Cash Flow"). Notwithstanding the foregoing, if the Contract Term Cash Flow is not sufficient to satisfy and discharge in full such Operating Liabilities, Service Provider shall be required to so satisfy and discharge such Operating Liabilities, when due, from Service Provider's own funds (the "Service Provider Funds"). Service Provider shall indemnify and hold harmless Operator for any liabilities, costs, and expenses incurred by the Facility to the extent attributable to the operation of the Facility by Service Provider on and after the Effective Date and during the term of this Agreement other than such liabilities, costs and expenses arising from or related to (i) actions or omissions of Operator or (ii) the operation of the Facility prior to the Effective Date. Notwithstanding the foregoing, Services Provider shall not be responsible for, and Operator shall indemnify and hold Service Provider harmless from (a) any liabilities, costs, and expenses of the Facility arising, or otherwise attributable to the operation of the Facility, prior to the Effective Date, and (b) the operation of the Facility prior to the Effective Date. Notwithstanding the foregoing, all obligations of Operator pursuant to (A) clauses (i) – (iii) of Section 16.b of the OTA if arising from or related to the period of time prior to the Effective Date and (B) clauses (iv) –

(vii) of Section 16.b of the OTA shall, in each case, remain obligations of Operator and Service Provider will have no indemnification or other obligations with respect thereto. Notwithstanding anything to the contrary set forth in this Agreement, including this Section 2, until the APA Closing (as defined below) all payments of rent and mortgage debt service shall not be paid by Service Provider from Contract Term Cash Flow, shall not be factored in the calculation of the Administrative Fee and shall remain costs and expenses of Operator. “APA Closing” means the closing of the transactions contemplated by that certain Asset Purchase Agreement, dated as of September 26, 2024, by and between Llanfair House Realty, LLC, a New Jersey limited liability company and Point View Propco LLC, a New Jersey limited liability company.

2.3 Manner of Payment. Service Provider shall charge Operator monthly, the Administrative Fee due hereunder for the related month. Service Provider shall, on behalf of Operator, process payments to Service Provider hereunder, monthly or at such other intervals as reasonably determined by Service Provider, from amounts in the Accounts representing Contract Term Cash Flow.

3. TERM AND TERMINATION.

3.1 Term. The term of this Agreement shall commence as of the Effective Date and shall continue for a period of one (1) year unless sooner terminated as provided in this Agreement, provided, however, so long as neither Operator nor Service Provider has terminated the OTA in accordance with its terms, Service Provider may extend the term of this Agreement pending its receipt of License Approval (as defined in the OTA) for successive one (1) year terms (or a partial year if applicable). Notwithstanding anything in this Agreement to the contrary, all indemnification and reimbursement obligations set forth in this Agreement shall survive any termination of this Agreement.

3.2 Default by Operator. The occurrence of any one of the following shall constitute a default by Operator hereunder:

(a) If Operator interferes with Service Provider’s right or ability to provide the Administrative Services or to make payment of the Administrative Fee to itself out of Operator’s Operating Account;

(b) If Operator (i) makes an assignment for the benefit of creditors; (ii) admits in writing its inability to pay its debts as they become due; (iii) files a petition seeking reorganization, an arrangement, readjustment, or similar arrangement under any present or future statute, law or regulation; (iv) files an answer admitting the material allegations of a petition filed against it in any such proceeding; or (v) consents to or acquiesces in the appointment of a trustee, receiver or liquidator of all or any substantial part of its assets or properties; or

(c) If, within sixty (60) days after the commencement of any proceedings against Operator seeking reorganization or similar relief under any present or future statute, law or regulation, such proceedings shall have not been dismissed, or if within sixty (60) days after the appointment (without Operator’s consent or acquiescence) of any trustee, receiver or liquidator of all or any substantial part of its assets or properties, such appointment shall not have been vacated.

3.3 Default by Service Provider. The occurrence of any one of the following shall constitute a default by Service Provider hereunder:

(a) If Service Provider breaches any of its representations or warranties set forth herein in any material respect and such breach continues uncured for a period of thirty (30) days after written notice thereof to Service Provider from Operator;

(b) If Service Provider (i) makes an assignment for the benefit of creditors; (ii) admits in writing its inability to pay its debts as they become due; (iii) files a petition seeking reorganization, an arrangement, readjustment, or similar arrangement under any present or future statute, law or regulation; (iv) files an answer admitting the material allegations of a petition filed against it in any such proceeding; or (v) consents to or acquiesces in the appointment of a trustee, receiver or liquidator of all or any substantial part of its assets or properties; or

(c) If, within sixty (60) days after the commencement of any proceedings against Service Provider seeking reorganization or similar relief under any present or future statute, law or regulation, such proceedings shall have not been dismissed, or if within sixty (60) days after the appointment (without Service Provider's consent or acquiescence) of any trustee, receiver or liquidator of all or any substantial part of its assets or properties, such appointment shall not have been vacated.

3.4 OTA. Notwithstanding anything in this Agreement to the contrary, this Agreement shall automatically terminate, and this Agreement and all the rights and obligations of the respective parties under this Agreement shall be null and void (subject to the final sentence of Section 3.1), as of the Closing (as defined in the OTA). In the event there is any conflict between the OTA and this Agreement, the terms in this Agreement shall prevail.

3.5 Effect of Termination. Upon any termination or expiration of this Agreement, all earned but unpaid Administrative Fee, or any pro rata portion thereof (net of the obligations of Service Provider pursuant to Section 2.2 hereof), shall be immediately due and payable by the Operator to Service Provider.

4. INSURANCE.

4.1 Without limiting any obligations pursuant to Section 1.2(e) above, each Party shall maintain and keep in full force and effect through the term of this Agreement general liability insurance policies, and a professional liability insurance policy and all other insurance policies maintained by similarly situated facilities being operated prudently, in each case in a manner consistent with the operations of the Facility in the ordinary course of business prior to the Effective Date; provided that in accordance with Section 1.2(e) above, at Service Provider's election, Service Provider may coordinate and procure replacement insurance policies, for all or a portion of the insurance policies maintained by Operator with respect to the Facility. All such policies shall be paid for from Contract Term Cash Flow. All insurance shall be placed with such companies on such conditions, in such amounts, and with such beneficial interests appearing thereon as shall be reasonably acceptable to Service Provider and Operator.

4.2 All general liability and professional liability insurance maintained by either Party pursuant to this Section shall name the other Party as an additional insured, if

permitted, and shall provide for no less than thirty (30) days written notice to the other Party prior to the effective date of any cancellation, material change or expiration of such insurance policies. Upon request, each Party shall deliver to the other Party certificates of insurance evidencing such policies of insurance and the additional insured and notice provisions thereof.

5. OPERATOR REPRESENTATIONS.

Operator hereby makes the following representations, warranties and covenants to Service Provider, each of which is material and is being relied upon by Service Provider, and each of which shall be true as of the date hereof and shall continue during the term of this Agreement:

5.1 Duly Authorized. This Agreement has been duly authorized, executed and delivered by Operator and is binding upon Operator in accordance with its terms.

5.2 Duly Organized. Operator was duly formed under the laws of the State of New Jersey, is validly existing and is duly authorized and qualified to conduct its business as now presently conducted and to do all things required of it under this Agreement.

5.3 Capacity to Contract. Operator has the capacity and authority to fulfill the obligations required of it hereunder and, to the best of its knowledge and belief, nothing prohibits or restricts the right or ability of Operator to carry out the terms hereof.

5.4 Violations of Law. Neither Operator nor any agreement, document or instrument executed or to be executed in connection with this Agreement, or anything provided in or contemplated by this Agreement, does or will to Operator's knowledge and belief violate any applicable law, rule or regulation or breach, invalidate, cancel, make inoperative or interfere with, or result in acceleration of maturity of, any contract or agreement to which the Operator is bound.

5.5 Compliance with Law. In the performance of its obligations hereunder, Operator shall comply with all applicable regulations and laws of all regulatory bodies, agencies or authorities having jurisdiction over the Parties.

5.6 Responsibility for All Medical Services. Operator shall be and remain fully responsible for all medical services it provides and for all professionals and professional services in connection with such rendered services provided at the Facility. Operator shall obtain and maintain in full force and effect all required permits, licenses, and approvals necessary for the operation of the Facility. In no event shall Service Provider be deemed to be involved in the practice of medicine.

6. SERVICE PROVIDER'S REPRESENTATIONS.

Service Provider hereby makes the following representations, warranties and covenants to Operator, each of which is material and is relied upon by Operator, and each of which shall be true as of the date hereof and shall continue during the term of this Agreement:

6.1 Duly Authorized. This Agreement has been duly authorized, executed and delivered by Service Provider and is binding upon it in accordance with its terms.

6.2 Duly Organized. Service Provider was duly formed under the laws of the State of New Jersey, is validly existing and is duly authorized and qualified to conduct its business as now presently conducted and to do all things required of it under this Agreement.

6.3 Capacity to Contract. Service Provider has the capacity and authority to fulfill the obligations required of it hereunder and, to the best of Service Provider's knowledge and belief, nothing prohibits or restricts the right or ability of Service Provider to carry out the terms hereof.

7. **INVALID PROVISIONS**. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future law, statute, regulation or ordinance, and if the rights or obligations of any Party under this Agreement will not be materially and adversely affected thereby, (a) such provision will be fully severable, (b) this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, (c) the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance here from, and (d) in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

8. **COMPLIANCE WITH LEGAL REQUIREMENTS**. The Parties agree to comply with the Compliance Addendum attached hereto as Exhibit 8.

9. **INDEMNIFICATION**. In addition, and not in limitation of the obligations of the Parties hereunder, each Party (an "Indemnifying Party") shall indemnify, hold harmless, and defend the other Party, its affiliates, and their respective principals, members, managers, officers, agents and representatives (collectively, each an "Indemnified Party") against, and hold all of them harmless from, all claims, suits, obligations, damages, fines, losses, and expenses, including, without limitation, reasonable fees of attorneys ("Losses") to the extent arising, directly or indirectly, from or in connection with any claims brought by a third party against any Indemnified Party to the extent arising out of, resulting from, or related to the obligations of the Indemnifying Party hereunder or any breach of any representation, warranty, covenant or agreement of such Indemnifying Party. Notwithstanding the forgoing, no Indemnifying Party shall be liable under this Section 9 for any Losses to the extent related to or arising out of the willful misconduct, bad faith or gross negligence of an Indemnified Party.

10. **UNION**. Operator acknowledges that Service Provider is expressly not assuming any of (i) the CBA (as defined in the OTA) and (ii) and any Union (as defined in the OTA) related rights or obligations, including any obligations related to any pension-related obligations, including any withdrawal liability, and the CBA and all such rights and obligations shall be retained by Operator.

11. **GENERAL**.

11.1 Notice. All notices, requests, demands and other communications required or permitted to be given hereunder shall be in writing, and shall be deemed duly given: (i) when personally delivered; (ii) when receipt is acknowledged, if sent by facsimile, telecopy or other

electronic transmission device; provided, however, that if receipt is acknowledged after normal business hours of the recipient, notice shall be deemed to have been given on the next business day; (iii) one day after deposit with a nationally recognized overnight courier, specifying “next day delivery”; or (iv) three days after being sent by registered or certified mail, postage prepaid, return receipt requested. Any notice, demand or other communication given shall be addressed as follows:

if to Operator:

Llanfair House Care & Rehabilitation Center, LLC
100 McClellan Street
Norwood, NJ 07648
Attn: Michael Jacobs
Joshua Jacobs
Email: mjacobs@windsorhc.com
jjacobs@windsorhc.com

with a copy to:

Baker, Donelson, Bearman, Caldwell & Berkowitz PC
1900 Republic Centre
633 Chestnut Street
Chattanooga, TN 37450
Attn: Craig A. Penny, Esq.
Email: cpenny@bakerdonelson.com

if to Service
Provider:

c/o Peace Capital LLC
229 NJ 70
Toms River, NJ 08755
Attn: Sam Stein
Raffi Klugman
Email: sam@peacecap.com
rklugman@peacecap.com

with a copy to:

Jacobowitz Newman Tversky LLP
2361 Nostrand Avenue, Suite 902
Brooklyn, NY 11210
Attn: Mordechai Biegeleisen, Esq.
Email: mbiegeleisen@jntllp.com

11.2 Severability. If any provision of this Agreement, or the application of any provision hereof to any person or circumstances, is held to be legally invalid, inoperative or unenforceable, then the remainder of this Agreement shall not be affected unless the invalid provision substantially impairs the benefit of the remaining portions of this Agreement to all of the Parties.

11.3 Entire Agreement. This Agreement (including the exhibits and schedules hereto) is the entire agreement among the parties concerning the subject matter hereof and supersedes all prior agreements, understandings, memoranda, and other such communications, whether written or oral.

11.4 Heading. All headings and captions in this Agreement are for convenience of reference only. They shall not be deemed part of this Agreement and shall in no way define, limit, extend, or describe the scope or intent of any provisions hereof.

11.5 Binding Effect. The terms, conditions and provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

11.6 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall be deemed to be and constitute one and the same instrument. Executed signature pages to this Agreement may be delivered by facsimile transmission and any such signature page shall be deemed an original.

11.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey without giving effect to the rules of conflicts of law. ANY DISPUTES CONCERNING THIS AGREEMENT MAY BE BROUGHT BEFORE ANY COURT HAVING SITUS IN THE STATE OF NEW JERSEY, OR, IF FEDERAL JURISDICTION EXISTS, THE FEDERAL COURT HAVING SITUS IN THE STATE OF NEW JERSEY. EACH OF THE PARTIES HEREBY CONSENTS AND SUBMITS TO THE JURISDICTION OF SUCH LOCAL, STATE OR FEDERAL COURTS. TO THE EXTENT LEGALLY WAIVABLE, EACH OF THE PARTIES HERETO HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE UPON SUCH PARTIES BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO SUCH PARTY, AT THE ADDRESS SET FORTH FOR NOTICE IN THIS AGREEMENT AND SERVICE SO MADE SHALL BE COMPLETE TEN (10) DAYS AFTER THE SAME HAS BEEN POSTED. THE PARTIES HEREBY WAIVE ANY RIGHT THEY MAY HAVE TO TRANSFER OR CHANGE THE VENUE OF ANY LITIGATION BROUGHT AGAINST SUCH PARTY IN ACCORDANCE WITH THIS SECTION. THE PARTIES HEREBY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY.

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

11.9 Non-Assumptions of Liabilities. Neither Party shall, by entering into and performing under this Agreement, become liable for any of the existing or future obligations, liabilities, or debts of the other Party.

11.10 Specific Performance. Without limiting any of Service Provider's rights pursuant to this Agreement, Operator acknowledges that Service Provider's rights to provide the Administrative Services and be paid the Administrative Fee are unique, and recognizes and affirms that that in the event of any breach hereunder, money damages will be inadequate and Service Provider will have no adequate remedy at law. Accordingly, Operator agrees that Service Provider shall be entitled, in addition to any other rights and remedies existing in its favor pursuant to any agreement between Operator and Service Provider or otherwise at law or in equity, to enforce its

rights and Operator's obligations hereunder not only by an action or proceeding for damages but also by an action or proceeding for specific performance, injunctive and/or other equitable relief (without posting of bond or other security).

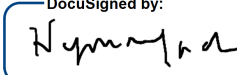
11.11 HIPAA Compliance. The Parties represent, warrant and covenant that throughout the term of this Agreement and during any applicable period thereafter, each shall perform under this Agreement in accordance with all applicable federal and state laws, rules, regulations and agency guidelines, including without limitation, the Health Information Technology for Economic and Clinical Health Act and the related regulations promulgated in connection therewith and the Health Insurance Portability and Accountability Act of 1996, 42 USC §1320d and the regulations promulgated thereunder, all as modified or amended from time to time. Each Party hereby agrees to execute and deliver a Business Associate Agreement attached hereto as Exhibit 11.10 in accordance with applicable law and will require any subcontractor performing services hereunder to execute a similar agreement.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Administrative Services Agreement to be duly executed as of the day and year first written above.

OPERATOR:

LLANFAIR HOUSE CARE & REHABILITATION
CENTER, LLC

By:  DocuSigned by:
35F9AAB48B2C478
Name: Hyman Jacobs
Title: Managing member

SERVICE PROVIDER:

POINT VIEW CARE AND REHAB CENTER LLC

By: 
Name: Mendy Piller
Title: Authorized Signatory

SCHEDULE 1.1(a)

ADMINISTRATIVE SERVICES

The Administrative Services shall consist of the following, to the extent permitted by applicable law, rule or regulation:

A. To supervise the Facility's staff in the general management of the Facility as Service Provider determines is reasonably necessary for the maintenance and operation of the Facility, and to enter into any reasonable and necessary contracts on behalf of and binding on the Operator that are required to manage or operate the Facility in accordance with this Agreement.

B. To recruit, select, hire, employ, train, supervise, promote, direct, and terminate (subject to Section 1.2(c)) the employment of any and all professional and non-professional personnel, including the existing officers and management of the Operator (collectively, the "Employees"), as necessary for the proper maintenance and operation of the Facility. To the extent allowed pursuant to applicable law, all Employees will be deemed employees of Service Provider. All Employees that are required to be employees of the Operator pursuant to applicable law shall be deemed employees of the Operator, provided, however, without the prior consent of Service Provider, Operator shall not modify, set or establish compensation of the Employees, including, without limitation, salary, bonuses, employee benefits, and all other expenses relating to their employment, job classifications, personnel policies, employee benefits, and employee performance standards for the Employees to ensure the efficient operation of all departments within and services offered by the Facility. Service Provider shall additionally have the authority to negotiate employment contracts and collective bargaining agreements on behalf of Operator, if applicable. Nothing herein is intended to make Service Provider a joint employer of any Employees or with respect to any collective bargaining agreement.

C. To employ a contractor to maintain and manage the accounts receivables, accounts payable, employee compensation, payroll tax requirements and benefit programs, cash, and all other income, expenses, assets and liabilities in connection with the Facility.

D. To cause to be paid from available funds, all expenses, costs, taxes, utilities and other charges incurred by or on behalf of the Operator in connection with the maintenance or operation of the Facility (provided Service Provider shall not be obligated to apply Contract Term Cash Flow to same to the extent not constituting Operating Expenses), and to otherwise dictate the allocation of funds of the Operator in satisfaction of its liabilities.

E. To procure and provide for replacements, repairs and additions to the personal property used in the operation of the Facility.

F. To the extent the Facility receive notice from any governmental authority with respect to a deficiency, violation, non-compliance, or condition at the Facility that requires correction (whether or not subject to a fine, penalty, civil monetary penalty or other enforcement) (a "Government Action"), upon approval by Operator, which shall not be unreasonably withheld, conditioned or delayed, Service Provider shall submit a plan of correction on behalf of Operator and shall further have authority, after such approval by Operator, to challenge, negotiate, and settle

any fines, penalties, or other enforcement issued by such governmental authority, with Operator's reasonable consent.

G. To coordinate actions to maintain all licenses, permits and certificates required for the operation of the Facility, and ensure that appropriate certifications and accreditations are obtained and maintained.

H. To negotiate managed care, payor, reimbursement and other contracts for Operator for the payment for services by the Facility with third parties, both public and private.

I. To file all Medicaid and/or Medicare cost reports and all other licensure and certification reports related to the Facility in order to maintain the Facility licensure and Medicaid and/or Medicare certifications and contracts, as applicable. If Operator consent is required pursuant to applicable law, Operator shall not unreasonably withhold, condition or delay such consent.

J. To make capital expenditures as necessary for the proper operation of the Facility, to repair or replace Facility property as Service Provider deems necessary and appropriate for servicing the needs of the residents.

K. To engage, retain and terminate vendors, suppliers, and other service providers and replace same with other vendors, suppliers and service providers as Service Provider deems appropriate for the operation of the Facility.

L. To manage public relations services, including development and implementation of marketing and public relations materials with respect to the Facility.

M. To establish policies and procedures governing quality assurance, risk management and such other areas which may be requested by Operator for the operation of the Facility.

N. To provide assistance with quality assurance activities to the extent permitted by applicable law, including to develop orientation and training plans to teach the policies and procedures of Operator to all administrative personnel and coordinate with third parties and the relevant government agencies to establish, update and maintain policies, protocols and procedures.

O. To do or cause to be done such other acts as are appropriate to the management of the day to day operations of the Facility or to expand, improve, modify, reduce or initiate programs, activities, services, advertising, promotions, outreach, or clinical policies or procedures that Service Provider determines appropriate for the improved operations of the Facility, compliance with law, employee morale or retention, or for the residents, family members or the community all with Operator's reasonable consent.

P. Service Provider shall make available services to assist Operator in the performance of such HIPAA compliance duties and functions as Operator may reasonably require, including but not limited to negotiation and execution of Business Associate Agreements on behalf of Operator.

Q. Credentialing/Recredentialing Services. Service Provider shall make available services to assist Operator in the performance of collecting and verifying credentialing and recredentialing information.

R. Billing & Collection, Cash Management, Payroll & Reporting Services. Service Provider may employ a contractor, during the term of this Agreement, to assist Service Provider and Operator in the following:

1. Accounts Payable services, including: receive and post invoices and correspondence from vendors; review all invoices for proper prices and services; handle phone calls from vendors with Service Provider customer service team
2. Cash Management services, including: monitor bank balances to ensure all accounts are in good standing; handle transfers and direct deposits; cash management and vendor disbursements; monthly bank reconciliation for all bank accounts
3. Payroll services (subject to Section 1.2(c) of the Agreement), including: process payroll on weekly or biweekly basis as necessary; transfer federal, state and any local payroll taxes; manage benefit time; file quarterly payroll taxes federal and State and Yearly W-2; create payroll reports of weekly costs & staffing
4. Financial reporting services, including: prepare General Ledger, Trial Balance and Financial Statements on a monthly basis; assist Facility's CPA firm in completion of financials and cost reports.

SCHEDULE 2

ADMINISTRATIVE FEES

The Administrative Fee in a given month shall equal the net profit for such period attributable to the operation of the Facility during the term of this agreement, net of the costs and expenses incurred by Service Provider (either directly or indirectly through a sub-contractor) in the operation of the Facility during such period (e.g., equipment costs, personnel costs (inclusive of taxes, benefits, insurance, etc.), software, medical and non-medical supplies, maintenance, utilities, miscellaneous expenses, etc.). To the extent that costs cannot be directly attributed to the Facility, such costs shall be based upon a per bed allocation of Service Provider's direct and indirect costs with respect to such services, which such allocation shall be determined in accordance with generally accepted accounting principles. Such charges shall be exclusive of applicable sales/use taxes which, if any, shall be paid by the administrative fees, subject to permitted deferrals. For the avoidance of doubt, the Administrative Fee shall include all net profit or loss from all receivables and income of the Facility attributable to the operation thereof on and after the Effective Date against all payables, costs and liabilities arising, and attributable to the operation of the Facility, during the term of this Agreement, so that the accounts receivable and accounts payable arising and attributable to the operation of the Facility during the term of this Agreement will be attributed to the Service Provider and all adjustments and prorations under the OTA shall be as of the Effective Date herein.

SCHEDULE 3

ACCOUNTS

EXHIBIT 8

COMPLIANCE ADDENDUM

The following are hereby incorporated by reference to the extent applicable to Service Provider's provision of Administrative Services hereunder and not otherwise expressly stated in the Agreement. Operator and Service Provider are sometimes referred to herein individually as a "Party" and together as the "Parties".

1. Standards of Performance and Quality Assurance.

(a) Service Provider agrees to perform the Administrative Services in accordance with applicable Facility policies ("Facility Policies"), to extent that copies of the Facility Policies are provided to Service Provider prior to the Effective Date, and applicable federal, state and local rules and regulations ("Applicable Law").

(b) Service Provider shall participate in mandatory educational programs sponsored by Operator, if reasonably requested by Operator. Service Provider will participate in Facility's risk management and/or patient safety program, as reasonably requested by Operator.

(c) Service Provider shall participate in and cooperate with Facility's performance improvement, patient safety, quality assurance and risk management programs, with respect to its Administrative Services, if reasonably requested by Operator.

(d) Quality of Services including mortality and morbidity, adverse drug reactions, and infection rate will be monitored as part of Operator's ongoing professional practice evaluation process and will be monitored on an ongoing basis and at the time of reappointment by Operator, if applicable to Service Provider and/or its employees and contractors.

2. **The Anti-Kickback Law and Similar Laws.** The Parties acknowledge and agree that compensation to be paid to Service Provider pursuant to the Agreement has been determined by the Parties through good faith negotiations to be commercially reasonable and reflect fair market value and not to be based in any way upon the volume or value of patient referrals or any other business generated between the Parties and their respective affiliates and subsidiaries. Service Provider and Operator intend to comply with Applicable Law, including without limitation, the Section 1128B(b) of the Social Security Act and Section 1877 of the Social Security Act).

3. No Disqualified or Excluded Parties.

(a) Service Provider represents and warrants to Operator that, during the term of the Agreement, Service Provider and, to Service Provider's knowledge, each employee, contractor and/or agent of Service Provider providing Administrative Services and other services to Operator has not been: (i) convicted of a criminal offense that falls within the ambit of 42 USC 1320a-7(a) (e.g., a conviction relating to services or supplies paid for by Medicare, Medicaid or other federal healthcare program), or (ii) excluded, debarred, suspended or otherwise ineligible to participate in a federal health care program, including but not limited to Medicare and Medicaid.

(b) Service Provider agrees to confirm, before employing or contracting (and periodically thereafter as required by Applicable Law), its employees, contractors and/or agents whose salaries are directly or indirectly paid for by a federal health care program against the exclusion lists maintained by the following (which exclusion lists shall be updated automatically herein by notice from governmental authorities): (a) the Department of Health and Human Services, Office of Inspector General; (b) the General Services Administration; and (c) the Office of Medicaid Inspector General.

(c) Service Provider shall immediately notify Operator in writing in the event any of its employees, contractors or agents appears on an exclusion list (an “Exclusion Listing”). The Parties recognize that an Exclusion Listing may not be accurate and may require verification. However, while such verification occurs, if reasonably required, the person on the Exclusion Listing shall be removed immediately from providing Administrative Services and any other services hereunder.

4. **Federal Access to Records.** To the extent Section 1861(v)(1)(I)(ii) of the Social Security Act, 42 USC § 1395x(c)(1)(i), is applicable, the parties agree to make available, upon the written request of the Secretary of the Department of Health and Human Services or upon the request of the Comptroller General, or any of their duly authorized representatives, this Agreement, and any other books, records and documents that are necessary to certify the nature and extent of costs incurred by them for services furnished under this Agreement. The obligations hereunder shall extend until the expiration of four (4) years after the services are furnished under the Agreement. The parties shall notify each other of any such request for records. This paragraph shall survive the expiration or termination of the Agreement.

5. **Compliance with HIPAA.** The Parties shall comply with the Health Information Technology for Economic and Clinical Health Act, Title XIII of the American Recovery and Reinvestment Act of 2009 and related regulations promulgated by the Secretary (commonly referred to as the “HITECH Act”) and the Health Insurance Portability and Accountability Act of 1996, 42 USC § 1320d (“HIPAA”) and the regulations promulgated thereunder, including, without limitation, the federal privacy regulations (45 CFR Parts 160 and 164), the federal security standards (45 CFR Part 142), and the federal standards for electronic transactions (45 CFR Parts 160 and 162). To the extent required, Service Provider shall execute a HIPAA Business Associate Agreement, which may be annexed hereto and made a part hereof.

6. **Reserved Powers.**

(a) Notwithstanding anything to the contrary set forth in the Agreement or this Addendum, Operator will consult with Service Provider but otherwise retain:

(i) direct, independent authority over the appointment and/or dismissal of the Facility’s management level employees (including but not limited to, the Facility Administrator, the Medical Director, the Director of Nursing, and all licensed or certified health care staff;

(ii) independent control over and physical possession of the Facility’s books and records;

(iii) independent control over and physical possession of the Facility's operating policies and procedures;

(iv) the right and authority to independently adopt and, approve and enforce policies affecting the Facility's delivery of health care services; and

(v) the right to approve contracts for clinical services.

(b) No powers specifically reserved to the Facility in this Agreement may be delegated to, or shared by, Service Provider or any other person or entity.

7. **Controlling Provision (Conflicts Clause).** In the event of any disagreement between Operator and Service Provider regarding control between Operator and Service Provider, Section 1.2 of this Agreement shall control to the extent allowed by Applicable Law.

Organizational chart of the third-party entity's proposed management team for the nursing home

David Krohn, Regional Director of Operations

Ulysses Akridge LHNA, Administrator

Aimee Green, DON

Marie Manuel IP

Daniel Lee, Director Of social services

Jose Ayala, Maintenance Director

Nanci Delos, Santos Rehab director

Melissa Minaya, Staffing Coordinator

Denise Brown, Food service Director

Rosa Ruge, Housekeeping Director

Luz Perez, Activities Director

Lorriane Rodriguez, Central Supply





The names and addresses of 100% of owners, principals, and interested parties of the third party entity

100% owned by:

Berkshire Post Acute Care at Wayne, LLC
1613 Route 88
Brick, New Jersey 08724



- A list of any other licensed health care facilities owned, operated, or managed by the third party entity in any state or territory of the United States or in the District of Columbia for the preceding three years.

None

