

LEASE AGREEMENT

By and Between

Monroe County, Illinois

A political subdivision of the State of Illinois

the "Lessor"

and

Accolade Healthcare of Waterloo LLC and

Waterloo SLP, LLC

each an Illinois limited liability company

the "Lessee"

October 1, 2025

623 Hamacher Street,
Waterloo, IL 62298

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LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is made and entered into this 1st day of October, 2025 (the "Effective Date"), by and between Monroe County, Illinois, a political subdivision of the State of Illinois (the "Lessor"), and Accolade Healthcare of Waterloo LLC and Waterloo SLP, LLC, each an Illinois limited liability company (collectively, the "Lessee").

WITNESSETH:

WHEREAS, Lessor owns that certain tract of land improved with a skilled nursing, assisted living, and supportive living facility, located at 623 Hamacher Street, Waterloo, Illinois 62298, as well as any other buildings and structures located thereon and improvements thereto, 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 one hundred forty-four (144) bed long-term health care facility, together with that certain fifty (50) room Supportive Living Facility ("SLF"), commonly known as the "Monroe County Nursing Home", collectively consisting of Oak Hill, Magnolia Terrace, Whispering Pines, and Evergreen Court and located at 623 Hamacher Street, Waterloo, Illinois 62298, as well as any other structures located on the Demised Premises.

(b) 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.

ARTICLE III - TERM OF LEASE

3.1 The term of this Lease shall be as of the date set forth on the Commencement Date Rider, attached hereto as **Exhibit B** and made a part hereof, which date shall be the first (1st) day of the first month following the date of Lessee's receipt of the License to operate the Facility (as defined in Section 32.1) (the "Commencement Date"), and shall extend for a period of five (5) years (the "Initial Term"), unless sooner terminated as provided herein. The parties agree to execute the Commencement Date Rider no later than five (5) business days following the date in which Lessee obtains the License to operate the Facility, reflecting the Commencement Date.

3.2 Following the Initial Term, and any subsequent extension thereto as applicable, Lessee shall have the option to extend the term of this Lease for up to one (1) additional term of five (5) years (the "Option Term"), up to a total term of ten (10) years from the Commencement Date. The foregoing Option Term may be exercised by Lessee delivering written notice of the exercise thereof to Lessor (the "Option Term Notice") at least six (6) months prior to the expiration of the Initial Term, or renewal thereof. All references in the Lease to the "Term" shall be deemed to mean the Initial Term as extended by the Option Term, as applicable.

ARTICLE IV - RENT

4.1 From and after the Commencement Date, Lessee shall pay to Lessor, or as Lessor shall direct, without demand, deduction or offset for any reason whatsoever except as herein specifically provided, base rent amounts as set forth on Schedule 4.1, attached hereto ("Base Rent"). Unless otherwise set forth in Schedule 4.1, the Base Rent shall be paid in twelve (12) equal monthly installments during the lease year. All Base Rent 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. Lessee shall deliver to Lessor all rental payments payable to Lessor at 100 S. Main St., Waterloo, IL 62298, or other place as Lessor may from time to time designate, pursuant to payment directions provided by Lessor. The term "lease year" shall mean a period of twelve (12) consecutive full calendar months.

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.

4.3 All rental payments, together with all tax and insurance deposits provided for in this Lease (unless otherwise provided in this Lease) and together with all sales tax due in connection with such rental payments, shall be paid in advance on or prior to the first (1st) day of each month by check, wire transfer or other customary electronic funds transfer to an account designated by Lessor. Unless otherwise notified in writing all checks shall be made payable as directed by Lessor and shall be sent to Lessor at the place designated by Lessor. All past due payments required of Lessee hereunder shall bear interest from the date due until paid at the lesser of eight percent (8%) per annum or the maximum lawful rate of interest (such lesser amount is referred to herein as the "Default Rate"); additionally, Lessor, in addition to all other rights and remedies available to it, may charge Lessee a fee equal to five percent (5%) of the delinquent payment to reimburse Lessor for its cost and inconvenience incurred as a consequence of Lessee's delinquency if such payment is not made within five (5) days after Lessor delivers written notice of such delinquency to Lessee. In no event, however, shall the charges permitted under this Section 4.3 or elsewhere in this Lease, to the extent they are considered to be interest under applicable law, exceed the maximum lawful rate of interest. Notwithstanding the foregoing, the late fee referenced above shall not be charged with respect to the first occurrence (but not any subsequent occurrence) during any twelve (12) month period that Lessee fails to make payment when due.

ARTICLE V - INTENTIONALLY OMITTED

ARTICLE VI - PAYMENT OF TAXES AND ASSESSMENTS

6.1 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").

6.2 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.

6.3 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.

6.4 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.

6.5 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.

6.6 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 legal expenses and 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.

ARTICLE VII - INTENTIONALLY OMITTED

ARTICLE VIII - OCCUPANCY

8.1 During the Term of this Lease, the Demised Premises shall be used and occupied by Lessee for and as a skilled nursing facility, assisted living, memory care, and supportive living 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 probationary or non-probationary licenses issued by the State of Illinois and any other governmental agencies permitting the operation on the Demised Premises for such purpose.

8.2 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.

8.3 Upon termination of this Lease for any reason, Lessee will return to Lessor the Demised Premises and Personal Property in the same condition as existed on the Commencement Date, and as maintained in accordance with Section 11.1, reasonable wear and tear excepted.

8.4 During the Term hereof, Lessee shall operate the Facility and use the Demised Premises in such a manner that is in compliance 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 residential care 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, PCB'S, 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 agree 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 IX - INSURANCE

9.1 Lessee shall, at its sole cost and expense, during the Term of this Lease, maintain causes of loss special form property insurance, with extended coverage endorsement, which includes coverage for malicious mischief and vandalism both on the Demised Premises and the Personal Property 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 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, but not more frequently than required by Lessee's insurance carrier, 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.

9.2 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 general liability policy in amounts of \$1,000,000 per occurrence and \$2,000,000 aggregate, 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) Professional malpractice insurance in the amount of \$1,000,000 (provided, however, Lessee shall not be required to include independent contractors under its insurance coverage).

(c) Worker's compensation insurance in compliance with statutory requirements.

(d) automobile coverage to include no less than \$1,000,000 liability limits.

9.3 All policies of insurance shall provide:

(a) They are carried in favor of the Lessor and Lessee as their respective interests may appear (i.e., name Lessor as an additional insured and as a loss payee as it relates to causes of loss special form property insurance), 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;

(b) They shall not be canceled, terminated, reduced or materially modified without at least thirty (30) days' prior written notice; provided however that any such changes to coverage of coverage shall be required to comply with terms of this Lease; and

9.4 Certificates of insurance policies required by this Article 9 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.

9.5 Lessor and Lessee each waives any claim it might have against the other for any damage to or theft, destruction, loss, or loss of use of any property or workers compensation, to the extent the same is insured against under any insurance policy of the types described in this

Section 9 that covers the Facility, the Demised Premises, the Personal Property, Lessee's fixtures, personal property, leasehold improvements, or business, workers compensation or is required to be insured against under the terms hereof, regardless of whether the negligence of the other party caused such Loss (defined below). Additionally, Lessee waives any claim it may have against Lessor for any Loss to the extent such Loss is caused by a terrorist act. Each party shall cause its insurance carrier to endorse all applicable policies waiving the carrier's rights of recovery under subrogation or otherwise against the other party. Notwithstanding any provision in the Lease to the contrary, Lessor, its agents, employees and contractors shall not be liable to Lessee or to any party claiming by, through or under Lessee for (and Lessee hereby releases Lessor and its servants, agents, contractors, employees and invitees from any claim or responsibility for) any damage to or destruction, loss, or loss of use, or theft of any property of any Lessee Party located in or about the Demised Premises, caused by casualty, theft, fire, third parties or any other matter or cause, regardless of whether the negligence of any party caused such loss in whole or in part. Lessee acknowledges that Lessor shall not carry insurance on, and shall not be responsible for damage to, any property of any Lessee Party located in or about the Demised Premises. For the purpose of this Section 9.5, "Loss" shall mean all claims, demands, liabilities, causes of action, suits, judgments, damages, and expenses (including reasonable attorneys' fees) arising from any injury to or death of any person or the damage to or theft, destruction, loss, or loss of use of, any property or inconvenience (1) occurring in or on the Demised Premises, or (2) arising out of the installation, operation, maintenance, repair or removal of any property of Lessee located in or about the Demised Premises.

ARTICLE X - LESSOR'S RIGHT TO PERFORM

10.1 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, in Lessor's sole discretion, upon delivery of ten (10) business days' prior notice to Lessee specifying such covenant or covenants in which Lessee failed to perform and the approximate amount to be expended to cause Lessee to perform such covenant or covenants, make such payment and/or take such action as is reasonably required to cause Lessee to perform such covenant, at Lessee's expense. The expenses incurred by lessor under this Section 10.1, including legal expenses and reasonable attorneys' fees, shall be payable by Lessee to Lessor as Additional Rent due the month following the date in which Lessor has invoiced Lessee therefor and provided Lessee with a copy of the paid receipts for such expenses incurred by Lessor.

ARTICLE XI - REPAIRS, MAINTENANCE AND IMPROVEMENTS

11.1 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 residential care facility. Notwithstanding the forgoing, Lessor shall be responsible for the repair and replacement of all areas of the roof that need to be replaced due to age or weather during the Term. In connection with any repairs and replacements to the boilers, cooling tower, and sprinkler system on the Demised Premises, Lessee shall be responsible for the repair and replacement of each of the systems, however, Lessor shall contribute an amount equal to 50% of the cost of such repair or replacement (excluding costs of routine maintenance and service), in an amount not to exceed \$375,000 during the Term, which shall be paid by reduction and offset of Rent as it comes due and payable until all such amounts have been repaid. The parties hereto agree that in the event that the Lessee or its designee acquires the Demised Premises pursuant to the Purchase Option, at the closing, Lessor shall be reimbursed the amount of Rent reductions paid towards its 50% contribution obligations.

11.2 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 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. The foregoing notwithstanding, if a Casualty damages a material portion of the improvements or Personal Property located on the Demised Premises and (i) Lessor estimates that such damage cannot be replaced, repaired or restored within six (6) months and (ii) the damage to the Premises exceeds fifty percent (50%) of the replacement cost thereof, then Lessor and Lessee can mutually agree to terminate this Lease, in which case Lessee shall be entitled to any insurance proceeds in excess of the maximum of the purchase price of the Purchase Option (defined herein) that would otherwise payable to Lessor under the terms of this Lease. 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). Provided that there is no uncured Event of Default (as defined in Article XIX) by Lessee under the Lease, Lessee shall have the right, at any time and from time to time during the Term, 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 ("Obsolete Personal Property"), provided Lessee promptly replaces any such Obsolete Personal Property so removed or disposed of with personal property of the same character, and at least equal usefulness and quality as the removed or disposed of Obsolete Personal Property, free of any security interest, liens or encumbrances ("Replacement Personal Property"). All Replacement Personal Property shall be the property of and shall belong to the Lessor. 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 XII - ALTERATIONS AND DEMOLITION

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, improvements, or alterations in or to the Demised Premises, the cost of which in any twelve (12) month period exceeds Five Hundred Thousand Dollars (\$500,000.00), 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.

ARTICLE XIII - COMPLIANCE WITH LAWS AND ORDINANCES

13.1 Throughout the Term of this Lease, Lessee, at its sole cost and expense, will obey, observe and promptly comply with in all material respects 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 senior care facility, which may be applicable to the Personal Property and the senior care 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.

13.2 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.

13.3 Lessee shall, subject to the terms of Article XX hereof, keep in effect all necessary licenses, permits and certifications required by any governmental authority for the purpose of maintaining and operating on the Demised Premises a residential care facility.

13.4 In the event the Facility receives a "G tag" citation for actual harm to a resident of the Facility or an "Immediate Jeopardy" / "IJ" tag from the Centers for Medicare & Medicaid Services ("CMS") during the Term, Lessee shall deliver notice thereof to Lessor within forty-eight (48) hours of the Facility receiving such tag.

ARTICLE XIV - DISCHARGE OF LIENS

14.1 Subject to the right to contest provided in Section 14.2 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.

14.2 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, Lessee shall have the right to contest such lien or charge.

ARTICLE XV - INSPECTION OF PREMISES AND RECORDS BY LESSOR

15.1 At any time, during reasonable business hours, upon two business days' prior written notice (except that no notice shall be required in emergency situations), Lessor and/or its authorized representatives shall have the right to enter and inspect the Demised Premises and Personal Property if Lessor has good faith reason to believe that Lessee is not in compliance with its obligations under the Lease.

15.2 Throughout the Term, upon the request of Lessor, Lessor and at least one of Lessee's officers – or such other person or persons with knowledge of the Lessee's operations of the Facility, shall meet quarterly to discuss Lessee's operations of the Facility. Such meetings may be held in person or electronically via videoconference or teleconference at a time mutually agreeable between Lessor and Lessee. Any given quarterly meeting under this Section 15.2 may be waived by each of Lessor and Lessee delivering to the other notice of such party's intent to waive the forthcoming quarterly meeting.

ARTICLE XVI - INTENTIONALLY OMITTED

ARTICLE XVII - RENT ABSOLUTE

17.1 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 XVIII - ASSIGNMENT AND SUBLETTING

18.1 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, legal expenses, and attorneys' fees.

18.2 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 XIX - EVENTS OF DEFAULT

19.1 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 five (5) business 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, provided if Lessee has commenced efforts to cure and is unable to cure in thirty (30) days, such period shall be extended so long as Lessee is diligently pursuing cure of the default;

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

(4) 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;

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

- (6) Any conveyance or transfer in violation of Article XVIII hereof;
- (7) The abandonment of the Demised Premises by Lessee;
- (8) The revocation of 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 Illinois Medicaid Program, each beyond all applicable appeal or cure periods; or
- (9) The failure of Lessee to procure, maintain and deliver to Lessor evidence of the insurance policies and coverages as required under Article IX of the Lease.

ARTICLE XX - RIGHT TO CONTEST/CURE

20.1 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(8). In the event such contest involves a violation, the decertification or license revocation from the Illinois 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; and (ii) there continues during the course of such contest authority to continue operations of the Facility as a residential care facility (which may be temporary or provisional).

20.2 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 in writing 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 so long as Lessee is diligently pursuing a remedy, 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 any Mortgage.

ARTICLE XXI - LESSOR'S REMEDIES UPON DEFAULT

21.1 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.

21.2 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 provided, without such entry and possession terminating this Lease or releasing Lessee, in whole or in part, from Lessee's obligations 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.

21.4 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.

ARTICLE XXII - 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 XXIII - CUMULATIVE REMEDIES OF LESSOR

23.1 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 XXIV - SECURITY DEPOSIT

24.1 Lessee shall deposit the aggregate amount of Two Hundred Fifty Thousand Dollars (\$250,000) the ("**Security Deposit**") as security for the full and faithful performance by Lessee of each and every term, provision, covenant and condition of this Lease. Lessee's payment of the Security Deposit shall consist of: (i) the Ten Thousand Dollar (\$10,000) deposit paid by Lessee to the Escrow Agent prior to the Effective Date, and (ii) commencing on the Commencement Date and together with the payment of Rent, for the first three (3) months thereafter, Lessee shall deposit with Lessor four equal installments of Sixty Thousand Dollars (\$60,000). Notwithstanding the forgoing, the Security Deposit shall be deemed paid prior to the date hereof under the Consulting Agreement entered between Lessor and Lessee. The Security Deposit shall not be considered an advance payment of Rent (or of any other sum payable to Lessor under this Lease) or a measure of Lessor's damages in a case of a default by Lessee. Upon any Event of Default hereunder, Lessor may elect to apply all or any part of the Security Deposit to the payment of any sum in default, any other sum that Lessor may expend or be required to expend by reason of Lessee's default or any other amounts due by Lessee hereunder. In the case of every such use, application or retention of the Security Deposit, Lessee shall, except in the case of a termination of this Lease or termination of Lessee's right of possession in accordance with the terms of this Lease, within ten (10) days after demand, pay to Lessor the sum so used, applied or retained which shall be added to the Security Deposit so that the same shall be replenished to its former amount. Upon the expiration or earlier termination of this Lease, following Lessor's determination of any amounts due and owing to Lessor and application of the Security Deposit to such outstanding amounts, any remaining portion of the Security Deposit shall be released to Lessee no later than thirty (30) days after such termination or expiration. In the event that Lessee (or its designee) shall acquire the Facility pursuant to the Purchase Option, and provided that Lessee is not in default on Rent under Section 19.1(1), the Security Deposit shall be applied as a credit to Lessee against the purchase price due under the Purchase Option.

ARTICLE XXV - INDEMNIFICATION

25.1 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 agree to pay any legal expenses, reasonable attorneys' fees

and expenses incident to the defense by such parties of any such claims, demands or causes of action.

25.2 Lessor agrees to protect, indemnify and save harmless the Lessee 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 any failure on the part of Lessor during the Term of this Lease to perform or comply with any of the terms of this Lease. Lessor 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 XXVI -INTENTIONALLY OMITTED

ARTICLE XXVII - INTENTIONALLY OMITTED

ARTICLE XXVIII - INTENTIONALLY OMITTED

ARTICLE XXIX - INTENTIONALLY OMITTED

ARTICLE XXX - REPRESENTATIONS

30.1 Lessee represents and covenants to Lessor as follows:

(a) Lessee is a limited liability company, duly organized and validly existing in good standing under the laws of the State of Illinois, 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) 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 nursing and supportive living facility in substantial compliance with all laws, rules and regulations of the Illinois 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;

(c) 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 XXXI – PURCHASE OPTION

31.1 Upon the commencement of the Option Term pursuant to Section 3.2 of this Lease Lessee shall have an option to purchase the Facility, which may be exercised by Lessee delivering written notice of the exercise thereof to Lessor on or after the first day of the Option Term (the “Purchase Option Notice”), pursuant to terms set forth in that certain Purchase Option Agreement attached hereto as Exhibit C and made a part hereof (the “Purchase Option”). Upon Lessee’s delivery of the Purchase Option Notice to Lessor, Lessor shall promptly proceed to place a referendum to approve the sale of the Facility to Lessee (or its designee) on the first general election ballot following the election to exercise the Purchase Option.

ARTICLE XXXII - LICENSURE PROVISIONS

32.1 It shall be a condition precedent to the effectiveness of this Lease that Lessee obtains all governmental approvals that are necessary for Lessee to operate the Facility as a long-term health care facility, having at least a level of licensing as such Facility has as of the Effective Date (the “License”). Lessee shall use its best efforts to obtain the License and Lessor shall cooperate fully with Lessee in obtaining the same. Lessee shall file its applications for the License on or before the date which is thirty (30) days after the Effective Date and exercise best efforts to obtain the License. If, after using best efforts to obtain the License, Lessee is unable to obtain the License, or Lessee’s application for the License is rejected for a reason which Lessee is unable to amend by submitting an updated application for the License, the Lease shall be deemed terminated and the parties shall have no further obligations under the Lease.

32.2 It shall be a condition precedent to the effectiveness of this Lease that Lessee obtain a Certificate of Need (“CON”) for the Facility from the Health Facilities and Services Review Board (the “Board”). Lessee shall use best efforts to file a CON application with Board and present itself to the Board. If, after using best efforts to obtain the CON, Lessee is unable to obtain the CON, the Lease shall be deemed terminated and the parties shall have no further obligations under the Lease.

ARTICLE XXXIII - FINANCIAL STATEMENTS

33.1 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.

33.2 During the first four (4) calendar year quarters of the Term (i.e., January – March, April – June, July – September, and October – December), Lessor shall provide Lessor with quarterly financial statements (including an income statement, balance sheet, statement of cash flows, and statement of retained earnings) of the Facility for such quarter, and for the calendar year to date, certified by an officer of Lessee to be accurate. Thereafter, Lessee shall provide like bi-annual financial statements for the preceding six (6) months, and for the calendar year to

date. Such financial statements shall be delivered by Lessee to Lessor by the forty-fifth (45th) day following: (i) the end of each quarter of the calendar year during the first year of the Term, and (ii) the end of each six (6) month period of the calendar year (i.e., by August 15th and February 15th) during the remainder of the Term.

33.3 In the event of an uncured Event of Default or Lessee's failure to timely deliver the Option Term Notice to Lessor, Lessee shall, within fifteen (15) days of Lessor's request, furnish to Lessor the Facility's current financial statements, cost reports, and such other information as is reasonably necessary, in Lessor's discretion, in order for Lessor to continue operations of the Facility.

ARTICLE XXXIV - MISCELLANEOUS

34.1 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.

34.2 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, Additional Rent and Other Rent are sometimes referred to collectively herein as "Rent".

34.3 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.

34.4 Each of the Lessor and Lessee represents and warrants to the other that it has not dealt with any broker or finder in connection with this Lease, except for Marcus & Millichap REIS - Ray Giannini, on behalf of Lessor, whose commission shall be paid by Lessor pursuant to a sperate agreement. 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 other 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.

34.5 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.

34.6 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 125% the last Rent specified.

34.7 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.

34.8 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.

34.9 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.

34.10 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.

34.11 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.

34.12 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.

34.13 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.

34.14 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.

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.

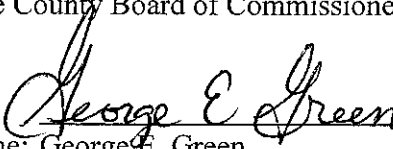
LESSOR:

MONROE COUNTY, Illinois

a political subdivision of the State of Illinois

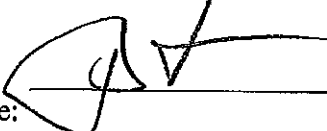
By: Monroe County Board of Commissioners

By:


Name: George E. Green

Its: Chairman

ACCOLADE HEALTHCARE OF WATERLOO LLC,
an Illinois limited liability company

By: 
Name: _____
Its: Authorized Signatory

WATERLOO SLP, LLC,
an Illinois limited liability company

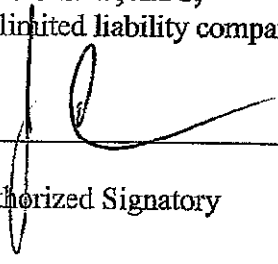
By: 
Name: _____
Its: Authorized Signatory

EXHIBIT A

DEMISED PREMISES

Property Index Number: 08-19-200-006

Prior Deed: 290984

Property Address: 623 Hamacher Street, Waterloo, IL 62298

Part of Tax Lots 2 and 6 in U.S. Survey 720, Claim 516, Township 2 South, Range 9 West of the Third Principal Meridian, Monroe Cowity, Illinois being more particularly described as follows:

Commencing at the intersection of the Northwest right of way line of Hamacher Street, 100 feet wide, as shown by right of way plat recorded in Envelope 180-C in the Monroe 11 County records, with the centerline of Eagle Court as shown by plat of East Ridge 7' Addition recorded in Envelope 2-6A; thence South 39 degrees 52 minutes 38 seconds West (based on Grid North, Illinois State Plane Coordinate System, West Zone) along said Northwest right of way line of Hamacher Street 155.00 feet to the point of beginning of the tract herein described; thence continuing along said Northwest right of way line South 39 degrees 52 minutes 38 seconds West 851.57 feet; thence along said right of way line on a curve to the right having a radius of 946.45 feet and a chord which bears South 47 degrees 01 minute 20 seconds West 235.44 feet, an arc distance of 236.05 feet; thence North 28 degrees 09 minutes 37 seconds West 870.23 feet; thence North 61 degrees 50 minutes 23 seconds East 819.16 feet; thence South 50 degrees 07 minutes 22 seconds East 530.00 feet to the point of beginning, containing 15.10 acres.

EXHIBIT C
PURCHASE OPTION

This Purchase Option Agreement (this "***Option***"), dated the 1 day of October, 2025, is made by and Monroe County, Illinois, a political subdivision of the State of Illinois (the "***Grantor***") and Accolade Ventures LLC, an Illinois limited liability company (hereinafter "***Grantee***"). Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Lease (as defined herein).

WHEREAS, Grantor owns that certain tract of land improved with a skilled nursing, assisted living, and supportive living facility, located at 623 Hamacher Street, Waterloo, Illinois 62298, as well as any other buildings and structures located thereon and improvements thereto, all as more particularly described in Exhibit A to the Lease, which is hereby incorporated by this reference thereto (the "***Property***"); and

WHEREAS, Grantor owns the furnishings, furniture, equipment and fixtures used in or about the Property (the "***Personal Property***"); and

WHEREAS, Grantor owns and operates that certain one hundred forty-four (144) bed long-term health care facility, together with that certain fifty (50) room Supportive Living Facility ("***SLF***"), commonly known as the "Monroe County Nursing Home", collectively consisting of Oak Hill, Magnolia Terrace, Whispering Pines, and Evergreen Court and located at 623 Hamacher Street, Waterloo, Illinois 62298, as well as any other structures located on the Property (the "***Facility***"); and

WHEREAS, On the date hereof, Grantor and Grantee entered into a lease agreement whereby Grantor is leasing the Property and the Facility to Grantee (the "***Lease***"); and

WHEREAS, pursuant the terms of the Lease, Grantor desires to grant to Grantee an option to purchase the Facility.

NOW THEREFORE, the parties, for valuable consideration the sufficiency of which is hereby acknowledged, agree as follows:

Grantee is hereby granted the option to purchase the Facility, including the Property and all improvements thereon, and the Personal Property, under the following terms and conditions.

1. Purchase Option: As a condition precedent to Grantee exercising this Option, Grantee shall exercise the Option Term of the Lease, thereby extending the Term of the Lease for one (1) additional five (5) year term. To exercise this Option, Grantee shall, on or after the first day of the Option Term (or such earlier date that Grantee delivered the Option Term Notice (as defined in the Lease)), deliver

written notice thereof to Grantor (the "*Purchase Option Notice*") to 100 S Main St., Waterloo, IL 62298 Attn: Monroe County State's Attorney. Grantee may exercise this Option at any time from the commencement date of the Option Term until July 1st of the year of the last general election to occur during the Option Term (e.g. July 1, 2034) ("*Option Period*").

2. In the event the Option is exercised, Grantor shall promptly thereafter place a referendum to approve the sale of the Facility to Lessee (or its designee) on the first general election ballot following Grantee's decision to exercise the Purchase Option, which for the avoidance of doubt occurs in November of 2030, 2032, and 2034. For the avoidance of doubt, Grantor agrees that in the event that Grantee provides the Option Term Notice prior to July 1, 2030, notwithstanding the Option Term having not yet commenced, Grantee may provide a Purchase Option Notice to have the referendum placed on the November 2030 general election ballot. The parties hereto agree that in the event the Purchase Option referendum is not approved by voters, the Purchase Option will be added to the next general election during the Option Term. In the event that the next general election does not occur during the Option Term, the parties may negotiate an extension to the Term of the Lease; if the Term of the Lease is extended, the Purchase Option will be added to the first general election to occur during the extended Term. If the Term is not extended, or if the Purchase Option referendum is not approved by voters on the second attempt, a contract for the sale of the Facility shall not be deemed to exist, this Option shall become null and void, and the parties hereto will have no further obligations under this Option. Upon the approval of the referendum, a contract for the sale of the Facility shall be deemed to exist between the parties on and subject to the following terms and provisions:
 - a. The purchase price for the Facility shall be Fourteen Million and 00/100 Dollars (\$14,000,000.00), subject to any credits or reimbursements due between the parties set forth in the Lease.
 - b. The date of closing under the Purchase Option shall be the date upon which Grantor and Grantee have each satisfied all of their obligations under the agreement or agreements for the sale of the Facility ; provided the Closing Date shall occur within ninety (90) days of the successful referendum (such date referred to herein as the "*Closing Date*").
 - c. Grantor shall pay closing costs typically allocated to "sellers" and Grantee shall pay closing costs typically allocated to "buyers."
 - d. Grantor shall deliver to the Grantee an Illinois Special Warranty Deed free and clear from all liens, a Bill of Sale, W-9, ALTA Statement, transfer declarations and closing statements.

- e. The then-current year taxes on said property shall be prorated as of the date of the delivery of the deed. Grantor shall be solely responsible for all taxes arising prior to the closing date of the acquisition of the Facility by Grantee.
 - f. The buildings and any other improvements situated upon the Property comprising of the Facility are sold in "as is" condition, meaning with all faults, the Grantee having had the opportunity to make a full and complete inspection of same prior to exercise of this option to purchase. It shall be the Grantee's responsibility, if Grantee so chooses, to have any and all inspections of the improvements on said Facility and any and all inspections of the Property, including but not limited to environmental studies with respect the condition of the Property. Grantee shall be responsible for all costs associated therewith.
 - g. If any of the improvements on the Property or to the Facility are damaged or destroyed after the date of this instrument and this option is exercised, the terms of this Option shall be unchanged and Grantor can either make repairs at its option or to refrain from making any repairs to the improvements.
 - h. Notice of election of the Grantee to exercise this option shall be delivered to the Grantor in person, or mailed to the Grantor by certified United States mail, postage prepaid, or overnight courier, addressed to the Grantor at the address given in this option, and the same shall be deemed to have been delivered on the day it is postmarked.
 - i. In the event of default by Grantor or Grantee with respect to any term of the purchase of this Option, the prevailing party shall be entitled to reasonable attorney's fee in the enforcement of the terms of said Option.
3. Grantor hereby represents and warrants that there are no mortgages, deeds of trust, rights to purchase or other liens or encumbrances of any nature on the Property (collectively, "*Liens*"). Grantor covenants and agrees that Grantor shall not sell or otherwise transfer the Facility, so long as the Option is in effect (i.e., during the Initial Term and, if Grantee exercises the Option, during the Option Term). Prior the Closing Date, Grantee shall obtain at Grantee's expense a current commitment for a title policy issued by a title company designated by Grantee in the amount of the Purchase Price, which shall contain extended coverage over general exceptions, and at Grantee's election and expense, such other additional endorsements required by Grantee. In the event that any defects are identified on the title commitment or any survey and/or zoning report for the Facility, Grantee shall provide notice to Grantor of such title objections, and Grantor shall no later than ten (10) days thereafter, notify Grantee of the title

objections which Grantor intends to correct and those title objections Grantor does not intend to correct. Grantor shall take all such actions reasonably required to satisfy and cure such defects Grantor notifies Grantee that Grantor will correct, prior to the Closing Date, including utilizing sale proceeds to satisfy any monetary obligations. If Grantor notifies Grantee that it elects not to correct any conditions identified by Grantee, then Grantee, acting in its sole and absolute discretion, may elect either to (y) terminate the Facility purchase agreement or (z) waive its objections hereunder by providing written notice thereof to Grantor, in which event the parties will proceed with the transaction pursuant to the terms and conditions of the agreement. If Grantor notifies Grantee that it elects not to correct any conditions identified by Grantee, then Grantee, acting in its sole and absolute discretion, may elect either to (y) terminate the Facility purchase agreement or (z) waive its objections hereunder by providing written notice thereof to Grantor, in which event the parties will proceed with the transaction pursuant to the terms and conditions of the agreement.

4. In the event that Grantee exercises the Purchase Option, but thereafter fails to close on the purchase of the Facility on the Closing Date, which failure is not due to Grantor's failure to comply with the terms of this Option or Grantor's inability to deliver title to the Facility as required hereunder, such failure shall not be deemed an Event of Default under the Lease and the Lease shall continue in full force and effect in accordance with the terms and provisions contained therein, and the parties hereto shall agree to extend the Closing Date to such time as reasonably required by Grantee to complete the closing so long as Grantee is diligently pursuing such closing. In the event the Closing Date is extended under this Section 4, Grantee shall pay to Grantor any and all additional costs and expenses incurred by Grantor in connection with the extension of the closing, including, but not limited to, reasonable attorneys' fees.
5. In the event that Grantee exercises the Purchase Option, but thereafter fails to close on the purchase of the Facility as a result of Grantor's failure to comply with the terms of this Option, Grantee, may at its' election, either (i) seek specific performance, in addition to any other rights or remedies available to it under this Option or under law or equity or (ii) terminate this Option, and if Grantee's failure to close on the purchase of the Facility is a result of Grantor's willful misconduct, Grantor shall reimburse Grantee for the actual out-of-pocket costs and expenses incurred by Grantee in connection with the exercise of the Purchase Option, including, but not limited to, reasonable attorneys' fees, third party reports, and financing deposits and charges.
6. Grantor agrees to execute a short form memorandum of this Option in a form reasonably acceptable to Grantee, which shall be recorded in the Recorder of Deeds Office of Monroe County, Illinois.

7. Any and all consideration paid with respect to the grant of this Option shall be forfeited if the Option is not exercised and shall not be an offset to the option price recited herein.
8. The rights and obligations of Grantor and Grantee shall be construed as covenants running with the land and shall be binding upon and shall inure to the benefit of all successors in title to the Property described on Exhibit A of the Lease.
9. Upon Grantee's delivery of prior notice to Grantor, Grantee may assign this Option to an affiliate of Grantee designated to acquire the Property in advance of the Closing.
10. This Option shall be construed in accordance with and governed by the laws of the State of Illinois.
11. Should any one or more of the provisions of this Option be determined to be invalid, unlawful or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby and each such provision shall be valid and remain in full force and effect.
12. Whenever under the terms and provisions of this Option the time for performance falls upon a Saturday, Sunday or legal holiday, such time for performance shall be extended to the next business day.
13. This Option may not be amended or modified in any respect whatsoever except by an instrument in writing signed by the parties hereto.


[Signature pages to follow]

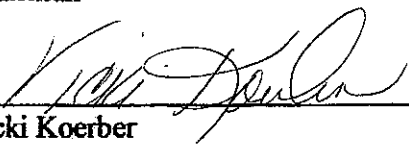
IN WITNESS WHEREOF, the parties hereto have caused this Option to be signed by persons authorized so to do on behalf of each of them respectively the day and year first above written.


GRANTOR:

MONROE COUNTY, Illinois
a political subdivision of the State of Illinois

By: Monroe County Board of Commissioners

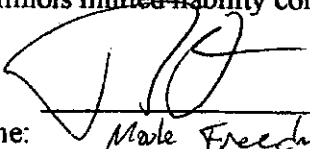
By: 
Name: George E. Green
Its: Chairman

By: 
Name: Vicki Koerber
Its: Vice Chairman

By: 
Name: Douglas Garner
Its: Commissioner

GRANTEE:

ACCOLADE VENTURES LLC,
an Illinois limited-liability company

By: 
Name: Male Freedom
Its: Authorized Signatory

SCHEDULE 4.1

RENT

- Lease Year 1:
 - Months 1 through 3: \$35,000 per month
 - Months 4 through 12: \$62,500 per month
- Lease Year 2: \$765,000 per year
- Lease Year 3: \$780,300 per year
- Lease Year 4: \$795,906 per year
- Lease Year 5 through 10: \$811,824 per year