



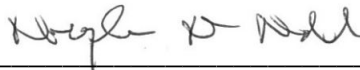
CLERK, U.S. BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS

**ENTERED**

THE DATE OF ENTRY IS ON  
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed December 7, 2018

  
United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

In re:	§	
	§	Chapter 11
	§	
Senior Care Centers, LLC, <i>et al.</i> , <sup>1</sup>	§	Case No. 18-33967 (BJH)
	§	
Debtors.	§	(Jointly Administered)

**FINDINGS OF FACT AND CONCLUSIONS OF LAW REGARDING THE INTERIM  
ORDER (I) AUTHORIZING THE USE OF CASH COLLATERAL, (II) GRANTING  
ADEQUATE PROTECTION, (III) MODIFYING THE AUTOMATIC STAY, (IV)  
SETTING A FINAL HEARING, AND (V) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”)<sup>2</sup> of the Debtors for entry of an interim order (the “**Interim Order**”) and findings of fact and conclusions of law (the “**Findings of Fact and Conclusions of Law**”) (i) authorizing the Debtors to use the Cash Collateral of CIBC Bank USA, as Administrative Agent for itself and for CIT Finance LLC, MB Financial Bank, N.A., Bankers Trust Company, Wells Fargo Bank, N.A., and Compass Bank (collectively, the “**Lenders**”), (ii) granting the Administrative Agent, for the benefit of the Lenders, adequate

<sup>1</sup> A list of the Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, is attached hereto as Exhibit 1.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

protection upon the terms set forth in the Interim Order and in any final orders, (iii) modifying the automatic stay, (iv) scheduling a final hearing on the Motion and approving the form and manner of notice thereof, and (v) granting such other and further relief as the Court deems just and appropriate; the Court having reviewed the Motion and the First Day Declaration; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334(b); and the Court having found that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that the Debtors consented to entry of a final order under Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and it appearing that proper and adequate notice of the Motion has been given, under the circumstances, and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefor:

**IT IS HEREBY FOUND THAT:<sup>3</sup>**

A. On December 4, 2018 (the “**Petition Date**”), the Debtors filed petitions for relief under Chapter 11 of the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.* (the “**Bankruptcy Code**”).

B. Since the Petition Date, the Debtors have continued in the management and operation of their businesses and property as debtors in possession pursuant to Bankruptcy Code sections 1107 and 1108. No trustee or committee has been appointed in the Chapter 11 Cases.

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<sup>3</sup> The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

C. The Debtors stipulate and agree that they are obligated under the notes, agreements, instruments, and undertakings listed on Exhibit 2 hereto (collectively, the “**Credit Facility Documents**”). Any and all monetary and nonmonetary obligations of the Debtors under the Credit Facility Documents as of the Petition Date are referred to herein as the “**Prepetition Obligations**.” The foregoing acknowledgments and stipulations shall be binding on the Debtors but not on any other party-in-interest in these cases, except as provided in Paragraph 9 of the Interim Order.

D. The Debtors further stipulate and agree as follows:

- (1) As of the Petition Date, the Credit Facility Documents are each valid and enforceable against each of the Debtors that is a party thereto, and none of the Debtors possesses, and agrees not to assert, any claim (as such term is defined in Bankruptcy Code section 101(5), counterclaim, setoff, or defense of any kind, nature or description which would in any way affect the validity or enforceability of the Credit Facility Documents;
- (2) As of the Petition Date, the Prepetition Obligations constitute legal, valid, and binding obligations of the Debtors, as applicable, enforceable in accordance with the terms of the Credit Facility Documents; no offsets, defenses or counterclaims to any of the Prepetition Obligations exist; no portion of the Prepetition Obligations is subject to recharacterization, disallowance, reduction or subordination pursuant to the Bankruptcy Code or non-bankruptcy law; the Prepetition Obligations constitute allowable secured claims; and the Debtors have irrevocably waived, discharged, and released any rights they may have to challenge or object to the Prepetition Obligations, and/or to challenge or object to the security for the Prepetition Obligations;
- (3) The Administrative Agent’s liens and security interests with respect to the Debtors’ “Goods, Accounts (including Health–Care Insurance Receivables), Equipment, Inventory, contract rights or rights to payment of money (including any escrowed funds, escrow payments or indemnification payments owing to any of the Debtors pursuant to any escrow agreement, purchase agreement or acquisition agreement), leases, license agreements, franchise agreements, General Intangibles, Intellectual Property, commercial tort claims, documents, Instruments (including any promissory notes), Chattel Paper (whether tangible or electronic), cash, Deposit Accounts, Securities Accounts, Letter-of-Credit Rights (whether or not the letter of credit is evidenced by a writing), Securities, and all other Investment Property, Supporting Obligations, and Financial Assets;

all of each Debtor's books and records relating to any of the foregoing; and all and all claims, rights and interests in any of the above and all substitutions for, additions, attachments, accessories, accessions, and improvements to and replacements, products, Proceeds and insurance proceeds of any or all of the foregoing (each as defined in the Credit Facility Documents), and every other item of collateral described in the Credit Facility Documents (collectively, all of the above types and descriptions of collateral are referred to herein as the "**Prepetition Collateral**") are valid, enforceable and perfected (by filing financing statements, and, where necessary, by possession of relevant accounts, cash, instruments, certificates or other property), and are not subject to recharacterization, disallowance, reduction or subordination pursuant to the Bankruptcy Code or non-bankruptcy law. All of such financing statements and relevant instruments were validly authorized by the Debtors and validly executed by authorized representatives of the Debtors. Pursuant to the Credit Facility Documents, the Administrative Agent has first priority security interests in and liens on all of the Prepetition Collateral, including the Cash Collateral (defined herein) and all proceeds of the Prepetition Collateral, to secure payment of the Prepetition Obligations;

- (4) The Administrative Agent's security interests and liens have attached to all funds and property of the Debtors consisting of the Prepetition Collateral and the products and proceeds thereof, and the Administrative Agent's security interests and liens will, notwithstanding the commencement of these Chapter 11 Cases, as of the Petition Date and thereafter, attach to the products and other proceeds of the Prepetition Collateral. Without limiting the foregoing, the Administrative Agent's security interests and liens attach to all cash (whether as original collateral or cash proceeds of the Prepetition Collateral), negotiable instruments, documents of title, securities, deposit accounts, or other cash equivalents now or hereafter in the possession, custody or control of the Debtors (the "**Cash Collateral**").
- (5) As of the Petition Date, the principal and interest portion of the Prepetition Obligations is not less than \$45,564,254.58, which includes two letters of credit that had been issued for the account of Senior Care Centers, LLC in the total amount of \$2,783,201.23.

The foregoing acknowledgments and stipulations shall be binding on the Debtors but not on any other party-in-interest in this case, except as provided in Paragraph 9 of the Interim Order.

E. The Debtors have requested that the Administrative Agent consent to the Debtors' use of Cash Collateral and the Administrative Agent is willing to consent to the Debtors' use of

Cash Collateral on the terms and conditions provided herein. The Administrative Agent is relying on the terms, conditions, and protections provided herein in so consenting.

F. The agreements and arrangements described in the Motion and authorized in the Interim Order have been negotiated at arm's-length with all parties represented by counsel, are fair and reasonable under the circumstances, and are enforceable in accordance with their terms. The Debtors and the Administrative Agent are acting in good faith with respect to the use of Cash Collateral as provided in the Interim Order. The superpriority claims, security interests and liens and other protections granted to the Administrative Agent pursuant to the Interim Order (1) are fair and reasonable and satisfy the requirements of the Bankruptcy Code, and (2) will not be affected by any subsequent reversal, modification, vacatur or amendment of the Interim Order or any other order, as provided in Bankruptcy Code section 364(e).

G. In light of the Administrative Agent's agreement to subordinate its liens and superpriority claims to the Carve-Out (as defined below), and its agreement to permit use of its Cash Collateral, the Administrative Agent and the Lenders are entitled to all of the rights and benefits of Bankruptcy Code section 552(b), and the "equities of the case" exception shall not apply.

H. The liens and security interests granted to the Administrative Agent hereunder shall not prime or impair any validly perfected lien or security interest senior to the liens and security interests of the Administrative Agent or the Lenders with respect to the Debtors' assets and properties in existence as of the Petition Date, if any (the "**Prior Senior Liens**"). The granting of the replacement liens, superpriority administrative claims and other agreements of the Debtors hereunder constitute adequate protection to the Administrative Agent and the Lenders for the Debtors' use of Cash Collateral for purposes of the Interim Order.

I. Good cause has been shown for entry of the Interim Order. Without use of Cash Collateral, the Debtors will not be able to fund their day-to-day operations, including payroll for their employees and ongoing services to their residents. Unless the Court authorizes the use of Cash Collateral, the Debtors will be unable to pay for the goods and services necessary to preserve and maximize the value of the Debtors' assets. Accordingly, the Interim Order is required to avoid immediate and irreparable harm to the Debtors' estates. Entry of the Interim Order is in the best interests of the Debtors, their creditors, and the estates.

**###End of Order###**

Ordered submitted by:

**POLSINELLI PC**

/s/ *Trey A. Monsour*

Trey A. Monsour  
State Bar No. 14277200  
Polsinelli PC  
2950 N. Harwood, Suite 2100  
Dallas, Texas 75201  
Telephone: (214) 397-0030  
Facsimile: (214) 397-0033  
tmonsour@polsinelli.com

-and-

Jeremy R. Johnson (*Pro Hac Vice* Pending)  
600 3rd Avenue, 42nd Floor  
New York, New York 10016  
Telephone: (212) 684-0199  
Facsimile: (212) 684-0197  
jeremy.johnson@polsinelli.com

*Proposed Counsel to the Debtors and Debtors  
in Possession*

**Exhibit 1**

(Sorted Alphabetically)

#	Debtor Name	Case No.	EIN
1.	Alief SCC LLC	18-33987	0523
2.	Bandera SCC LLC	18-33989	0617
3.	Baytown SCC LLC	18-33992	0778
4.	Beltline SCC LLC	18-33996	7264
5.	Booker SCC LLC	18-33999	0967
6.	Bossier SCC LLC	18-34003	2017
7.	Bradford SCC LLC	18-34004	9535
8.	Brinker SCC LLC	18-34005	7304
9.	Brownwood SCC LLC	18-33968	0677
10.	Capitol SCC LLC	18-34006	1750
11.	CapWest-Texas LLC	18-34008	4897
12.	Cedar Bayou SCC LLC	18-34010	8889
13.	Clear Brook SCC LLC	18-34012	1877
14.	Colonial SCC LLC	18-34014	4385
15.	Community SCC LLC	18-33969	7951
16.	Corpus Christi SCC LLC	18-34016	9807
17.	Crestwood SCC LLC	18-34017	7349
18.	Crowley SCC LLC	18-33970	6697
19.	CTLTC Real Estate, LLC	18-34018	0202
20.	Fairpark SCC LLC	18-34020	7381
21.	Gamble Hospice Care Central LLC	18-34022	6688
22.	Gamble Hospice Care Northeast LLC	18-34025	6661
23.	Gamble Hospice Care Northwest LLC	18-34027	2044
24.	Gamble Hospice Care of Cenla LLC	18-34029	4510
25.	Green Oaks SCC LLC	18-33971	7218
26.	Harbor Lakes SCC LLC	18-33972	7299
27.	Harden HUD Holdco LLC	18-34032	1502
28.	Harden Non-HUD Holdco LLC	18-34035	3391
29.	Harden Pharmacy LLC	18-34036	1995
30.	Hearthstone SCC LLC	18-34037	9154
31.	Hewitt SCC LLC	18-33973	7237
32.	HG SCC LLC	18-34040	7415
33.	Hill Country SCC LLC	18-34043	4199
34.	Holland SCC LLC	18-33974	1427
35.	Hunters Pond SCC LLC	18-34045	2886
36.	Jacksonville SCC LLC	18-34046	4216
37.	La Hacienda SCC LLC	18-34049	1074
38.	Lakepointe SCC LLC	18-34050	7457
39.	Major Timbers LLC	18-34052	7477
40.	Marlandwood East SCC LLC	18-34054	1871

#	Debtor Name	Case No.	EIN
41.	Marlandwood West SCC LLC	18-34058	2192
42.	Meadow Creek SCC LLC	18-34064	9278
43.	Midland SCC LLC	18-34065	4231
44.	Mill Forest Road SCC LLC	18-34066	5137
45.	Mission SCC LLC	18-33975	8086
46.	Mullican SCC LLC	18-34067	7499
47.	Mystic Park SCC LLC	18-34068	1898
48.	Normandie SCC LLC	18-34069	1542
49.	Onion Creek SCC LLC	18-34070	7425
50.	Park Bend SCC LLC	18-34071	9410
51.	Pasadena SCC LLC	18-34072	1694
52.	Pecan Tree SCC LLC	18-34073	4241
53.	Pecan Valley SCC LLC	18-34074	9585
54.	Pleasantmanor SCC LLC	18-34075	7536
55.	PM Management - Allen NC LLC	18-34076	4961
56.	PM Management - Babcock NC LLC	18-34077	7829
57.	PM Management - Cedar Park NC LLC	18-34078	1050
58.	PM Management - Corpus Christi NC II LLC	18-34079	5231
59.	PM Management - Corpus Christi NC III LLC	18-34080	5129
60.	PM Management - Corsicana NC II LLC	18-34081	9281
61.	PM Management - Corsicana NC III LLC	18-34082	9353
62.	PM Management - Corsicana NC LLC	18-34083	1333
63.	PM Management - Denison NC LLC	18-34084	5022
64.	PM Management - El Paso I NC LLC	18-34085	2965
65.	PM Management - Fredericksburg NC LLC	18-34086	0599
66.	PM Management - Frisco NC LLC	18-34087	5082
67.	PM Management - Garland NC LLC	18-33979	5137
68.	PM Management - Golden Triangle NC I LLC	18-33980	9478
69.	PM Management - Golden Triangle NC II LLC	18-33981	9536
70.	PM Management - Golden Triangle NC III LLC	18-33982	9597
71.	PM Management - Golden Triangle NC IV LLC	18-33983	9654
72.	PM Management - Killeen I NC LLC	18-33984	3105
73.	PM Management - Killeen II NC LLC	18-33985	3179
74.	PM Management - Killeen III NC LLC	18-33986	3245
75.	PM Management - Lewisville NC LLC	18-33988	5296
76.	PM Management - New Braunfels NC LLC	18-33990	6293
77.	PM Management - Park Valley NC LLC	18-33991	7186
78.	PM Management - Pflugerville AL LLC	18-33993	4007
79.	PM Management - Portland AL LLC	18-33994	5018
80.	PM Management - Portland NC LLC	18-33995	4928
81.	PM Management - Round Rock AL LLC	18-33997	5304
82.	PM Management - San Antonio NC LLC	18-33998	1216
83.	Presidential SCC LLC	18-34000	1913
84.	Redoak SCC LLC	18-33976	7569



#	Debtor Name	Case No.	EIN
85.	Riverside SCC LLC	18-34001	1889
86.	Round Rock SCC LLC	18-34002	8936
87.	Rowlett SCC LLC	18-34007	7606
88.	Ruston SCC LLC	18-34009	0242
89.	RW SCC LLC	18-34011	7631
90.	Sagebrook SCC LLC	18-34013	9571
91.	San Angelo SCC LLC	18-34015	4254
92.	SCC Edinburg LLC	18-34019	1195
93.	SCC Hospice Holdco LLC	18-34021	3166
94.	SCC Senior Care Investments LLC	18-34023	4123
95.	SCC Socorro LLC	18-34024	5459
96.	Senior Care Center Management II LLC	18-34026	1280
97.	Senior Care Center Management LLC	18-34028	7811
98.	Senior Care Centers Home Health, LLC	18-34030	1931
99.	Senior Care Centers LLC	18-33967	8550
100.	Senior Rehab Solutions LLC	18-34031	4829
101.	Senior Rehab Solutions North Louisiana LLC	18-34033	1690
102.	Shreveport SCC LLC	18-34034	1659
103.	Solutions 2 Wellness LLC	18-34038	4065
104.	South Oaks SCC LLC	18-34039	8002
105.	Springlake ALF SCC LLC	18-34041	2436
106.	Springlake SCC LLC	18-34042	9102
107.	Stallings Court SCC LLC	18-33977	7393
108.	Stonebridge SCC LLC	18-34044	9234
109.	Stonegate SCC LLC	18-33978	3005
110.	Summer Regency SCC LLC	18-34047	7782
111.	TRISUN Healthcare LLC	18-34048	2497
112.	Valley Grande SCC LLC	18-34051	1341
113.	Vintage SCC LLC	18-34053	7710
114.	West Oaks SCC LLC	18-34055	9535
115.	Western Hills SCC LLC	18-34056	1922
116.	Weston Inn SCC LLC	18-34057	7871
117.	Westover Hills SCC LLC	18-34059	3303
118.	Whitesboro SCC LLC	18-34060	7745
119.	Windcrest SCC LLC	18-34061	9541
120.	Windmill SCC LLC	18-34062	8067
121.	Wurzbach SCC LLC	18-34063	9920

**Exhibit 2**

## Credit Facility Documents

1. Amended and Restated Credit and Security Agreement dated as of January 12, 2017 by and between Senior Care Centers, LLC, as Borrower Representative, the non-HUD Borrowers,<sup>1</sup> and CIBC Bank USA, formerly known as The PrivateBank and Trust Company, as Lead Arranger, Administrative Agent and Lender, and CIT Finance LLC, MB Financial Bank, N.A., Bankers Trust Company, Wells Fargo Bank, N.A., and Compass Bank, as the Additional Lenders, as it has been amended by (i) that certain Joinder and First Amendment to Amended and Restated Credit and Security Agreement dated as of April 19, 2017, (ii) that certain Omnibus Release of Borrowers dated as of May 12, 2017, (iii) that certain Second Amendment to Amended and Restated Credit and Security Agreement dated as of May 23, 2017; (iv) that certain Omnibus Release of Borrowers dated as of June 21, 2017; (v) that certain Omnibus Release of Borrowers dated as of June 21, 2017; (vi) that certain Omnibus Release of Borrowers dated as of August 31, 2017; (vii) that certain Third Amendment to Amended and Restated Credit and Security Agreement and Omnibus Release of Borrowers and Amendment to Financing Documents dated October 18, 2017; (viii) that certain Limited Waiver to Amended and Restated Credit and Security Agreement and Omnibus Release of Borrowers dated as of December 15, 2017; (ix) that certain Fourth Amendment to Amended and Restated Credit and

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<sup>1</sup> The non-HUD Borrowers as of December 4, 2018 consist of HILL COUNTRY SCC LLC, JACKSONVILLE SCC LLC, MIDLAND SCC LLC, PECAN TREE SCC LLC, SAN ANGELO SCC LLC, Riverside SCC LLC, South Oaks SCC LLC, Capitol SCC LLC, Bandera SCC LLC, Cedar Bayou SCC LLC, Baytown SCC LLC, La Hacienda SCC LLC, West Oaks SCC LLC, Alief SCC LLC, Windmill SCC LLC, Pasadena SCC LLC, Mystic Park SCC LLC, Presidential SCC LLC, Mill Forest Road SCC LLC, Rowlett SCC LLC, Onion Creek SCC LLC, Brownwood SCC LLC, SCC Edinburg LLC, Redoak SCC LLC, Mission SCC LLC, Community SCC LLC, Green Oaks SCC LLC, Hewitt SCC LLC, Crowley SCC LLC, Stallings Court SCC LLC, Harbor Lakes SCC LLC, Marlandwood East SCC LLC, Meadow Creek SCC LLC, Western Hills SCC LLC, Weston Inn SCC LLC, Hunters Pond SCC LLC, Pecan Valley SCC LLC, Westover Hills SCC LLC, Clear Brook SCC LLC, Valley Grande SCC LLC, Normandie SCC LLC, Bradford SCC LLC, Shreveport SCC LLC, Booker SCC LLC, Springlake SCC LLC, Colonial SCC LLC, Bossier SCC LLC, Ruston SCC LLC, Springlake ALF SCC LLC, Stonegate SCC LLC, Holland Lake SCC LLC, SCC Socorro LLC, Senior Care Center Management LLC, SCC Senior Care Investments LLC, Solutions 2 Wellness LLC, Senior Care Centers Home Health LLC, Canopy Medical Staffing LLC, CTLTC Real Estate, LLC, Harden Non-HUD Holdco, LLC, TRISUN Healthcare, LLC, CapWest – Texas, LLC, MAJOR TIMBERS, LLC, PM Management – Babcock NC, LLC, PM Management – Cedar Park NC, LLC, PM Management–Corpus Christi NC II, LLC, PM Management–Corpus Christi NC III, LLC, PM Management – Corsicana NC, LLC, PM Management – Corsicana NC II, LLC, PM Management – Corsicana NC III, LLC, PM Management – El Paso I NC, LLC, PM Management – Garland AL, LLC, PM Management – Georgetown AL, LLC, PM Management – Georgetown NC, LLC, PM Management – Golden Triangle NC I, LLC, PM Management – Golden Triangle NC II, LLC, PM Management – Golden Triangle NC III, LLC, PM Management – Golden Triangle NC IV, LLC, PM Management – Pflugerville AL, LLC, PM Management – Portfolio V NC, LLC, PM Management – Portfolio VII NC, LLC, PM Management–Portland AL, LLC, PM Management–Portland NC, LLC, PM Management – Round Rock AL, LLC, PM Management – San Antonio AL, LLC, PM Management – San Antonio NC, LLC, PM Management–Sinton NC, LLC, each a Texas limited liability company, HHC Portland AL, LP, a Texas limited partnership, and Senior Rehab Solutions LLC, a Delaware limited liability company.

Security Agreement and Omnibus Release of Borrower dated as of February 1, 2018 and (x) that certain letter agreement dated as of October 22, 2018;

2. Amended and Restated Revolving Credit Note made by the non-HUD Borrowers in favor of CIBC Bank USA, dated as of January 12, 2017, as it has been modified by that certain First Modification to Amended and Restated Revolving Credit Note dated as of April 19, 2017;

3. Amended and Restated Revolving Credit Note made by the non-HUD Borrowers in favor of CIT Finance LLC, dated as of January 12, 2017, as it has been modified by that certain First Modification to Amended and Restated Revolving Credit Note dated as of April 19, 2017;

4. Amended and Restated Revolving Credit Note made by the non-HUD Borrowers in favor of Wells Fargo Bank, N.A., dated as of January 12, 2017, as it has been modified by that certain First Modification to Amended and Restated Revolving Credit Note dated as of April 19, 2017;

5. Amended and Restated Revolving Credit Note made by the non-HUD Borrowers in favor of Bankers Trust Company, dated as of January 12, 2017, as it has been modified by that certain First Modification to Amended and Restated Revolving Credit Note dated as of April 19, 2017;

6. Amended and Restated Revolving Credit Note made by the non-HUD Borrowers in favor of MB Financial Bank, N.A., dated as of January 12, 2017, as it has been modified by that certain First Modification to Amended and Restated Revolving Credit Note dated as of April 19, 2017;

7. Amended and Restated Revolving Credit Note made by the non-HUD Borrowers in favor of Compass Bank, dated as of January 12, 2017, as it has been modified by that certain First Modification to Amended and Restated Revolving Credit Note dated as of April 19, 2017;

8. Amended and Restated Pledge Agreement dated as of January 12, 2017 by and among Senior Care Centers, LLC, as Borrower Representative and Pledgor, CTLTC Real Estate, LLC, Harden Non-HUD Holdco, LLC, CapWest – Texas, LLC, Senior Rehab Solutions LLC, as Pledgors, and CIBC Bank USA, formerly known as The PrivateBank and Trust Company, as Pledgee, as reaffirmed by (i) that certain Reaffirmation of Amended and Restated Guaranty and Amended and Restated Pledge Agreement dated April 19, 2017; (ii) that certain Reaffirmation of Guaranty and Pledge Agreement dated May 12, 2017; (iii) that certain Reaffirmation of Amended and Restated Guaranty and Amended and Restated Pledge Agreement dated May 23, 2017; (iv) that certain Reaffirmation of Guaranty and Pledge Agreement dated June 21, 2017; (v) that certain Reaffirmation of Guaranty and Pledge Agreement dated June 21, 2017; (vi) that certain Reaffirmation of Guaranty and Pledge Agreement dated August 31, 2017; (vii) that certain Reaffirmation of Guaranty and Pledge Agreement dated October 18, 2017; (viii) that certain Reaffirmation of Guaranty and Pledge Agreement dated December 15, 2017; and (ix) that certain Reaffirmation of Guaranty and Pledge Agreement dated February 1, 2018;

9. Amended and Restated Guaranty dated as of January 12, 2017 by Senior Care Centers, LLC, as Guarantor, for the benefit of CIBC Bank USA, formerly known as The PrivateBank and Trust Company, as reaffirmed by (i) that certain Reaffirmation of Amended and Restated Guaranty and Amended and Restated Pledge Agreement dated April 19, 2017; (ii) that certain Reaffirmation of Guaranty and Pledge Agreement dated May 12, 2017; (iii) that certain Reaffirmation of Amended and Restated Guaranty and Amended and Restated Pledge Agreement dated May 23, 2017; (iv) that certain Reaffirmation of Guaranty and Pledge Agreement dated June 21, 2017; (v) that certain Reaffirmation of Guaranty and Pledge Agreement dated June 21, 2017; (vi) that certain Reaffirmation of Guaranty and Pledge Agreement dated August 31, 2017; (vii) that certain Reaffirmation of Guaranty and Pledge Agreement dated October 18, 2017; (viii) that certain Reaffirmation of Guaranty and Pledge Agreement dated December 15, 2017; and (ix) that certain Reaffirmation of Guaranty and Pledge Agreement dated February 1, 2018;

10. Amended and Restated Intellectual Property Security Agreement dated as of January 12, 2017 by and among Senior Care Centers, LLC, as Borrower Representative, the non-HUD Borrowers, and CIBC Bank USA, formerly known as The PrivateBank and Trust Company;

11. Blocked Account Agreement (Commercial Blocked Account) dated as of April 1, 2015 by and among the non-HUD Borrowers, CIBC Bank USA, formerly known as The PrivateBank and Trust Company, as the Bank, and CIBC Bank USA, formerly known as The PrivateBank and Trust Company, as Agent, as amended by (i) that certain First Amendment to Blocked Account Agreement dated as of August 1, 2015; (ii) that certain Second Amendment to Blocked Account Agreement dated as of December 21, 2015; (iii) that certain Third Amendment to Blocked Account Agreement dated as of April 19, 2017; (iv) that certain Fourth Amendment to Blocked Account Agreement dated as of May 12, 2017; (v) that certain Fifth Amendment to Blocked Account Agreement dated as of June 21, 2017; (vi) that certain Sixth Amendment to Blocked Account Agreement dated as of June 21, 2017 (vii) that certain Seventh Amendment to Blocked Account Agreement dated as of August 31, 2017; (viii) that certain Eighth Amendment to Blocked Account Agreement dated as of October 18, 2017; (ix) that certain Ninth Amendment to Blocked Account Agreement dated as of December 15, 2017; and (x) that certain Tenth Amendment to Blocked Account Agreement dated as of February 1, 2018;

12. Blocked Account Agreement (Government Deposit Account) dated as of April 1, 2015 by and among the non-HUD Borrowers, CIBC Bank USA, formerly known as The PrivateBank and Trust Company, as the Bank, and CIBC Bank USA, formerly known as The PrivateBank and Trust Company, as Agent, as amended by (i) that certain First Amendment to Blocked Account Agreement dated as of August 1, 2015; (ii) that certain Second Amendment to Blocked Account Agreement dated as of December 21, 2015; (iii) that certain Third Amendment to Blocked Account Agreement dated as of April 19, 2017; (iv) that certain Fourth Amendment to Blocked Account Agreement dated as of May 12, 2017; (v) that certain Fifth Amendment to Blocked Account Agreement dated as of June 21, 2017; (vi) that certain Sixth Amendment to Blocked Account Agreement dated as of June 21, 2017 (vii) that certain Seventh Amendment to Blocked Account Agreement dated as of August 31, 2017; (viii) that certain Eighth Amendment

to Blocked Account Agreement dated as of October 18, 2017; (ix) that certain Ninth Amendment to Blocked Account Agreement dated as of December 15, 2017; and (x) that certain Tenth Amendment to Blocked Account Agreement dated as of February 1, 2018;

13. Master Letter of Credit Agreement dated as of June 21, 2017 issued by the non-HUD Borrowers in favor of CIBC Bank USA, formerly known as The PrivateBank and Trust Company;

14. Master Letter of Credit Agreement dated as of April 19, 2017 issued by the non-HUD Borrowers and Senior Care Centers, LLC, as Borrower Representative in favor of CIBC Bank USA, formerly known as The PrivateBank and Trust Company;

15. Credit and Security Agreement dated as of June 21, 2017 by and between Senior Care Centers, LLC, as Borrower Representative, the HUD Borrowers,<sup>2</sup> and CIBC Bank USA, formerly known as The PrivateBank and Trust Company, as Lead Arranger, Administrative Agent and Lender, and CIT Finance LLC, MB Financial Bank, N.A., Bankers Trust Company, Wells Fargo Bank, N.A., and Compass Bank, as the Additional Lenders, as it has been amended by (i) that certain Joinder and First Amendment to Credit and Security Agreement dated as of June 21, 2017, (ii) that certain Joinder and Second Amendment to Credit and Security Agreement dated as of June 21, 2017; (iii) that certain Joinder and Third Amendment to Credit and Security Agreement dated as of August 31, 2017; and (iv) that certain Joinder and Fourth Amendment to Credit and Security Agreement and Amendment to Financing Documents dated October 18, 2017; (v) that certain Limited Waiver, Joinder and Fifth Amendment to Credit and Security Agreement dated December 15, 2017; (vi) that certain Sixth Amendment to Credit and Security Agreement dated as of February 1, 2018 and (vii) that certain letter agreement dated as of October 22, 2018;

16. Revolving Credit Note made by HUD Borrowers in favor of CIBC Bank USA, dated as of June 21, 2017, as modified by (i) that certain First Modification to Revolving Credit Note dated as of June 21, 2017; (ii) that certain Second Modification to Revolving Credit Note dated as of June 21, 2017; (iii) that certain Third Modification to Revolving Credit Note dated as of October 18, 2017; (iv) that certain Fourth Modification to Revolving Credit Note dated as of June 21, 2017; (v) that certain Fifth Modification to Revolving Credit Note dated as of December 15, 2017; and (vi) that certain Sixth Modification to Revolving Credit Note dated as of February 1, 2018;

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<sup>2</sup> The HUD Borrowers as of December 4, 2018 consist of Hearthstone SSC LLC, Crestwood SCC LLC, Park Bend SCC LLC, Sagebrook SCC LL, Stonebridge SCC, LLC, Corpus Christi SCC LLC, Round Rock SCC LLC, Brinker SCC LLC, Beltline SCC LLC, Fairpark SCC LLC, HG SCC LLC, Lakepointe SCC LLC, Mullican SCC LLC, Pleasantmanor SCC LLC, RW SCC LLC, Vintage SCC LLC, Whitesboro SCC LLC, PM Management – Fredericksburg NC, LLC, Marlandwood West SCC LLC, Summer Regency SCC LLC, Windcrest SCC LLC, Wurzbach SCC LLC, PM Management – Allen NC, LLC, PM Management – Denison NC, LLC, PM Management – Frisco NC, LLC, PM Management – Garland NC, LLC, PM Management – Lewisville NC, LLC, and PM Management – Portfolio VI NC, LLC, each a Texas limited liability company.

17. Revolving Credit Note made by Borrowers in favor of CIT Finance LLC, dated as of June 21, 2017, as modified by (i) that certain First Modification to Revolving Credit Note dated as of June 21, 2017; (ii) that certain Second Modification to Revolving Credit Note dated as of June 21, 2017; (iii) that certain Third Modification to Revolving Credit Note dated as of October 18, 2017; (iv) that certain Fourth Modification to Revolving Credit Note dated as of June 21, 2017; (v) that certain Fifth Modification to Revolving Credit Note dated as of December 15, 2017; and (vi) that certain Sixth Modification to Revolving Credit Note dated as of February 1, 2018;

18. Revolving Credit Note made by Borrowers in favor of Wells Fargo Bank, N.A., dated as of June 21, 2017, as modified by (i) that certain First Modification to Revolving Credit Note dated as of June 21, 2017; (ii) that certain Second Modification to Revolving Credit Note dated as of June 21, 2017; (iii) that certain Third Modification to Revolving Credit Note dated as of October 18, 2017; (iv) that certain Fourth Modification to Revolving Credit Note dated as of June 21, 2017; (v) that certain Fifth Modification to Revolving Credit Note dated as of December 15, 2017; and (vi) that certain Sixth Modification to Revolving Credit Note dated as of February 1, 2018;

19. Revolving Credit Note made by Borrowers in favor of MB Financial Bank, N.A., dated as of June 21, 2017, as modified by (i) that certain First Modification to Revolving Credit Note dated as of June 21, 2017; (ii) that certain Second Modification to Revolving Credit Note dated as of June 21, 2017; (iii) that certain Third Modification to Revolving Credit Note dated as of October 18, 2017; (iv) that certain Fourth Modification to Revolving Credit Note dated as of June 21, 2017; (v) that certain Fifth Modification to Revolving Credit Note dated as of December 15, 2017; and (vi) that certain Sixth Modification to Revolving Credit Note dated as of February 1, 2018;

20. Revolving Credit Note made by Borrowers in favor of Bankers Trust Company, dated as of June 21, 2017, as modified by (i) that certain First Modification to Revolving Credit Note dated as of June 21, 2017; (ii) that certain Second Modification to Revolving Credit Note dated as of June 21, 2017; (iii) that certain Third Modification to Revolving Credit Note dated as of October 18, 2017; (iv) that certain Fourth Modification to Revolving Credit Note dated as of June 21, 2017; (v) that certain Fifth Modification to Revolving Credit Note dated as of December 15, 2017; and (vi) that certain Sixth Modification to Revolving Credit Note dated as of February 1, 2018;

21. Revolving Credit Note made by Borrowers in favor of Compass Bank, dated as of June 21, 2017, as modified by (i) that certain First Modification to Revolving Credit Note dated as of June 21, 2017; (ii) that certain Second Modification to Revolving Credit Note dated as of June 21, 2017; (iii) that certain Third Modification to Revolving Credit Note dated as of October 18, 2017; (iv) that certain Fourth Modification to Revolving Credit Note dated as of June 21, 2017; (v) that certain Fifth Modification to Revolving Credit Note dated as of December 15, 2017; and (vi) that certain Sixth Modification to Revolving Credit Note dated as of February 1, 2018;

22. Guaranty made by Senior Care Centers, LLC dated as of June 21, 2017 in favor of CIBC Bank USA, as Agent, as reaffirmed by (i) that certain Reaffirmation of Guaranty and Pledge Agreement dated June 21, 2017; (ii) that certain Reaffirmation of Guaranty and Pledge Agreement dated June 21, 2017; (iii) that certain Reaffirmation of Guaranty and Pledge Agreement dated August 31, 2017; (iv) that certain Reaffirmation of Guaranty and Pledge Agreement dated October 18, 2017; (v) that certain Reaffirmation of Guaranty and Pledge Agreement dated December 15, 2017; and (vi) that certain Reaffirmation of Guaranty and Pledge Agreement dated February 1, 2018;

23. Pledge Agreement made by Senior Care Centers, LLC dated as of June 21, 2017 in favor of CIBC Bank USA, as Agent, as reaffirmed by (i) that certain Reaffirmation of Guaranty and Pledge Agreement dated June 21, 2017; (ii) that certain Reaffirmation of Guaranty and Pledge Agreement dated June 21, 2017; (iii) that certain Reaffirmation of Guaranty and Pledge Agreement dated August 31, 2017; (iv) that certain Reaffirmation of Guaranty and Pledge Agreement dated October 18, 2017; (v) that certain Reaffirmation of Guaranty and Pledge Agreement dated December 15, 2017; and (vi) that certain Reaffirmation of Guaranty and Pledge Agreement dated February 1, 2018;

24. Pledge Agreement made by Harden Non-HUD Holdco, LLC, dated as of August 31, 2017 in favor of CIBC Bank USA, as Agent, as reaffirmed by (i) that certain Reaffirmation of Pledge Agreement dated October 18, 2017; (ii) that certain Reaffirmation of Pledge Agreement dated December 15, 2017; and (iii) that certain Reaffirmation of Pledge Agreement dated February 1, 2018;

25. Blocked Account Agreement (Government Deposit Account) dated as of June 21, 2017 by and among CIBC Bank USA (as AR Lender and depository bank), Lancaster Pollard Mortgage Company, LLC and Hearthstone SCC LLC, Crestwood SCC LLC, Park Bend SCC LLC, Sagebrook SCC LLC, Stonebridge SCC, LLC, Corpus Christi SCC LLC, Round Rock SCC LLC, Brinker SCC LLC, Beltline SCC LLC, Fairpark SCC LLC, HG SCC LLC, Lakepointe SCC LLC, Mullican SCC LLC, Pleasantmanor SCC LLC, RW SCC LLC, Vintage SCC LLC, Whitesboro SCC LLC, Marlandwood West SCC LLC, Summer Regency SCC LLC, Windcrest SCC LLC, and Wurzbach SCC LLC as amended by (i) that certain First Amendment to Blocked Account Agreement dated as of June 21, 2017; (ii) that certain Second Amendment to Blocked Account Agreement dated as of June 21, 2017; and (iii) that certain Third Amendment to Blocked Account Agreement dated as of October 18, 2017;

26. Blocked Account Agreement (Government Deposit Account) dated as of August 31, 2017 by and among CIBC Bank USA (as AR Lender and depository bank), Red Mortgage Capital, LLC and PM Management – Fredericksburg NC, LLC;

27. Blocked Account Agreement (Government Deposit Account) dated as of December 15, 2017 by and among CIBC Bank USA (as AR Lender and depository bank), Berkadia Commercial Mortgage LLC and PM Management – Allen NC, LLC, PM Management – Denison NC, LLC, PM Management – Frisco NC, LLC, PM Management – Garland NC, LLC, PM Management – Lewisville NC, LLC, and PM Management – Portfolio VI NC, LLC;

28. Blocked Account Agreement (Commercial Blocked Account) dated as of June 21, 2017 by and among CIBC Bank USA (as AR Lender and depository bank), Lancaster Pollard Mortgage Company, LLC and Hearthstone SCC LLC, Crestwood SCC LLC, Park Bend SCC LLC, Sagebrook SCC LLC, Stonebridge SCC, LLC, Corpus Christi SCC LLC, Round Rock SCC LLC, Brinker SCC LLC, Beltline SCC LLC, Fairpark SCC LLC, HG SCC LLC, Lakepointe SCC LLC, Mullican SCC LLC, Pleasantmanor SCC LLC, RW SCC LLC, Vintage SCC LLC, Whitesboro SCC LLC, Marlandwood West SCC LLC, Summer Regency SCC LLC, Windcrest SCC LLC, and Wurzbach SCC LLC as amended by (i) that certain First Amendment to Blocked Account Agreement dated as of June 21, 2017; (ii) that certain Second Amendment to Blocked Account Agreement dated as of June 21, 2017; and (iii) that certain Third Amendment to Blocked Account Agreement dated as of October 18, 2017;

29. Blocked Account Agreement (Commercial Blocked Account) dated as of August 31, 2017 by and among CIBC Bank USA (as AR Lender and depository bank), Red Mortgage Capital, LLC and PM Management – Fredericksburg NC, LLC; and

30. Blocked Account Agreement (Commercial Blocked Account) dated as of December 15, 2017 by and among CIBC Bank USA (as AR Lender and depository bank), Berkadia Commercial Mortgage LLC and PM Management – Allen NC, LLC, PM Management – Denison NC, LLC, PM Management – Frisco NC, LLC, PM Management – Garland NC, LLC, PM Management – Lewisville NC, LLC, and PM Management – Portfolio VI NC, LLC; and

31. Master Letter of Credit Agreement dated as of December 15, 2017 issued by the HUD Borrowers and Senior Care Centers, LLC in favor of CIBC Bank USA.