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November 21, 2014

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Via Federal Express

RECEIVED
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HEALTH FACILITIES &
SERVICES REVIEW BOARD

Mr. Michael Constantino
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Asbury Court (Proj. No. 14-022) - Bank Commitment

Dear Mr. Constantino:

This office represents Asbury Court Nursing and Rehabilitation, LLC and Des Plaines Property, LLC (the "Permit Holders"). As you are aware, on August 27, 2014, the Illinois Health Facilities and Services Review Board approved the Permit Holders' application to establish a 71 bed general long-term care facility with a condition that the Permit Holders submit a commitment letter from a bank within 90 days of the permit approval data. In compliance with the permit condition, we are submitting the attached financing commitment letter from MB Financial Bank, N.A.

Please let me know if you have any questions regarding the financing commitment letter.

Sincerely,

Anne M. Cooper

Anne M. Cooper

Attachment

mb financial bank

November 20, 2014

Michael Zahtz
1750 Elmhurst Road
Des Plaines, IL 60018

Mr. Michael Zahtz,

MB Financial Bank, N.A. (the "Bank") is pleased to provide this financing commitment to Asbury Court, LLC and Des Plaines Property, LLC (the "Borrowers") with respect to the credit facilities described below. Please understand that this commitment is subject to the negotiation and execution of documentation customary for a transaction of this nature, in a manner and form satisfactory to the Bank and its legal counsel, and is subject to the completion of the Bank's due diligence investigation.

Construction Loan:

Borrowers: Asbury Court, LLC and Des Plaines Property, LLC

Amount: Not to exceed an amount calculated based upon the parameters outlined in this commitment letter, subject to the least of:

i) $5,770,347;

ii) Construction Loan not to exceed 70% of the "as-stabilized" market value of the Real Property as determined by an independent appraiser selected by the Bank in its sole discretion;

iii) Final approved construction budget.

Purpose: Funds to be used to construct a 71-bed Skilled Nursing Facility adjacent to the Real Property located at 1750 Elmhurst Road in Des Plaines, IL.

Term/
Amortization: Five (5) years / No Amortization with monthly payments of interest only during the first two (2) years. After two (2) years, the construction loan will convert to a twenty three (23) year amortization with monthly payments of principal plus accrued interest based upon a straight-line principal amortization made into a sinking fund to be held at the Bank beginning in year three (3). The sinking fund will be released upon HUD refinancing.

Interest Rates:

The facility shall bear interest at the following rate:

- Construction Loan – A floating rate equal to the greater of (i) 2.75% or (ii) LIBOR plus 2.60%.

"LIBOR" shall mean a rate of interest equal to the per annum rate of interest at which United States dollar deposits in an amount comparable to the amount of the relevant loan and for a period equal to the relevant interest period are offered to the Bank in the London Interbank Eurodollar market prior to the commencement of such interest period. Interest periods will be thirty (30) day periods.

Interest will be computed on the basis of a 360-day year and actual days elapsed.

Default Interest: From and after the occurrence of an event of default, the interest rates applicable to all loans and other obligations will be increased by 5% per annum over the interest rate then in effect and such interest will be payable on demand.

Fees: A closing fee of 50 bps of the total commitment on the Construction Loan will be due and payable at closing.

Collateral: Credit facility shall be secured by (i) a valid, perfected, first-priority mortgage and security interest in the Real Property and all fixtures, equipment and other personal property related to or used in connection with the Real Property, (ii) a valid, perfected, first-priority assignment of all rents, issues, security deposits and profits from the Real Property, and (iii) an environmental indemnity agreement from Borrower and all guarantors and such other collateral documentation as deemed appropriate by the Bank's legal counsel.

Credit facility shall also be secured by a $589,000 Certificate of Deposit to be held at the Bank, the amount of which will come from loan proceeds, until receipt of a Certificate of Occupancy acceptable to the Bank.

All credit facilities and other agreements between the Bank and any of the Borrowers, any pledgor of collateral and/or any guarantor shall be cross-collateralized and cross-defaulted.

Prepayment Premium: None.

Guaranties: A personal guaranty of $3,500,000 shall be provided by Mr. Moshe Kahn on the construction loan. A personal guaranty of $3,500,000 shall be provided by Mr. Samuel Seleski on the construction loan.

Asbury Court, LLC, Mr. Moshe Kahn, and Mr. Samuel Seleski will provide construction completion guaranties.

Capital Structure: The Borrower's and its affiliates' capital and legal structure are in a form satisfactory to the Bank.

Financial Covenants: The proposed credit facilities will be subject to financial covenants including but not limited to:

Asbury Court, LLC

- Construction Disbursements – All construction disbursements will be subject to full draw packages (including third party reports) and will be handled through the Bank's construction administration department.

- Fixed Charge Coverage – Borrower will not permit its Fixed Charge Coverage Ratio, determined on a trailing 12-month basis to be less than 1.20x. As of the end of each of its fiscal quarters, the Borrower shall maintain a ratio of (a) EBITDA, minus (i) all Capital Expenditures which are not financed minus (ii) all payments made in cash for income taxes made by Borrower, minus (iii) all dividends, distributions, and withdrawals paid in cash, to (b) Interest Charges plus the aggregate amount of required principal payments of Funded Debt, in each case calculated for such period year to date, of not less than 1.20 to 1.00.

- Limit on Management Fees – Management fees to be limited to 7.5% of Revenue from both the existing Assisted Living/Supportive Living/Independent Living Facility and the to-be-constructed Skilled Nursing Facility.

- Minimum Tangible Net Worth – Tangible Net worth of $2,000,000. Tangible net worth shall be equal to total assets less intangibles, less total liabilities, measured quarterly.

- No Additional Debt – The Borrower will not issue any additional debt without the Bank's prior written consent, including subordinate liens.

Des Plaines Property, LLC

- No Additional Debt – The Borrower will not issue any additional debt without the Bank's prior written consent, including subordinate liens.

- Construction Reserve – The Borrowers will be required to maintain a $700,000 Construction Reserve to be held at the Bank. The reserve will be released upon substantial completion of construction as determined by the Bank's inspecting architect and receipt of a Certificate of Occupancy acceptable to the Bank.

Reporting Requirements: The Borrower shall deliver the following to the Bank:

- Asbury Court Audited financial statements within 120 days of Borrowers' fiscal year-end, prepared by an accounting firm acceptable to the Bank.

- Des Plaines Property Company Prepared financial statements within 120 days of Borrowers' fiscal year-end.

- Asbury Court shall deliver to the Bank unaudited financial statements within 45 days of each of the Borrower's fiscal quarter-ends.

- Borrowers shall deliver to the Bank business tax returns within 30 days of filing

- Moshe Kahn and Samuel Seleski shall deliver a current personal financial statement within 30 days of calendar year-end and personal tax returns within 30 days of filing;

- Borrower will also deliver additional reports to the Bank as deemed necessary by the Bank to monitor Borrower's assets and liabilities and financial performance.

Additional Conditions: Bank shall have received the following, the form and content of which must be satisfactory to the Bank:

- A Phase I environmental audit prepared by an engineering or consultant firm selected by the Bank, certified to the Bank, covering the Real Property and indicating no past or present violations of any environmental law. Additional testing and reports may be required if specific conditions of concern are identified in the initial Phase I report;

- A current MAI appraisal of the Real Estate from appraisers selected by the Bank and on terms acceptable to the Bank;

- A current ALTA survey certified by the surveyor to the Bank and the title insurance company; and

- Any additional reports as deemed necessary by the Bank.

The proposed credit facilities will be further conditioned upon the following general terms and conditions:

- Evidence satisfactory to the Bank of compliance with all laws, ordinances, rules, regulations and restrictions affecting or relating to any collateral or the use thereof; and

- Such other documents, instrument, certificates, opinions, assurances, consents and approvals as the Bank may request.

Due Diligence Investigation: The Bank shall have completed its due diligence investigation, including without limitation the continued monitoring of the Borrower's financial performance and satisfaction with the results.

Loan Documentation: Borrower shall have executed and caused to be delivered a definitive loan agreement together with such loan documents, including instruments, documents, agreements, security agreements, assignments, mortgages, landlord and bailee waivers, financing statements, and certificates (the "Loan Documents") as the Bank and its legal counsel reasonably request in connection with the credit facilities on the basis outlined herein. The Loan Documents shall contain such representations, warranties, affirmative, negative and financial covenants, events of default and conditions precedent to advances as are normally contained in documents relating to transactions which are similar to those contemplated hereby, and others determined by the Bank to be appropriate to the circumstances. All financing statements, mortgages and other evidence of liens and security interests relating to the collateral described above shall have been filed or recorded to the Bank's satisfaction. Additionally, the Bank shall have received (i) satisfactory payoff letters and collateral releases from prior lenders; (ii) such inter-creditor and subordination agreements as the Bank may

request; and (iii) satisfactory opinions of counsel from the Borrower reasonably acceptable to the Bank. Borrower shall have received all necessary or appropriate waivers and consents.

Due-Diligence/Work Deposit: The Borrower shall pay the Bank, on the date of this commitment, a Due Diligence/Work Deposit in the amount of $5,000. If the Bank elects not to close this financing, the deposit shall be returned to the Borrower, less any expenses incurred by the Bank. If the Borrower elects not to close on this financing with the Bank, the Bank shall retain the full amount of the deposit as liquidated damages to compensate the Bank for time spent, expenses incurred, and labor and credit services performed by the Bank. The Borrower will pay all out of pocket expenses, including legal fees and expenses, incurred by the Bank in connection with the proposed credit facilities and will deliver such additional amounts as the Bank may request from time to time as reimbursement for such expenses.

Miscellaneous: If any law or regulation shall impose upon the Bank any material obligation, fee, liability, loss, cost, expense or damage which is not contemplated by this commitment, then the Bank may terminate this commitment. The terms of this commitment may not be waived or modified unless such waiver or modification is expressly stated as such and specifically agreed to by the parties in writing, and shall be enforceable by the Bank and its successors or assignees. This commitment shall not be assignable by you.

No statement, agreement or representation, oral or written, which may have been made by the Bank or any employee or agent acting on the Bank's behalf, with respect to this commitment or the credit facilities contemplated hereby, shall be of any force or effect, except to the extent stated in this commitment, and all prior agreements and representations in respect of this commitment and the credit facilities contemplated hereby are merged herein so that this commitment shall contain the entire agreement signed by the Borrower and the Bank.

Confidentiality: This commitment is for your confidential use only and may not be disclosed by you to any person other than your employees, attorneys and financial advisors (but not any commercial bank or finance company), and then only in connection with the proposed credit facilities and on a confidential basis, except where disclosure is required by law or where the Bank consents to the proposed disclosure in writing.

Expiration: This commitment is contingent upon: (i) the satisfactory completion of business and legal due diligence by the Bank; (ii) no default shall have occurred and be continuing with respect to any other credit facility of the Bank or any other lender to Borrower, any guarantor, or any pledgor of collateral, or any person or affiliate thereof; and (iii) the absence of any development occurring with respect to the markets, collateral, pledgors of collateral, Borrower and/or guarantors which could, in the Bank's opinion, adversely affect the value of the collateral, the credit, financial condition or business operations of the Borrower, any guarantor, or any pledgor of collateral. In addition, this commitment is intended as an outline only and does not purport to summarize all the conditions, covenants, representations, warranties events of default and other provisions which would be contained in definitive and comprehensive Loan Documents satisfactory to the Bank in its sole discretion and to the execution and delivery thereof by Borrower, the Bank and any other parties required by the Bank. Delivery by the Bank of any draft loan documents and delivery by the Bank of final unsigned copies of loan documents, including, without limitation, the tendering of any mortgage or draft thereof, shall not constitute a commitment to make a loan or to provide credit. No party or entity

should or can rely on any statements, oral agreements, draft documents, proposals, letters or other documents or items made or prepared as a result of or in the course of any negotiations or discussions relating to the subject matter of this commitment.

We are pleased to provide you with this commitment and excited by the prospect of building our relationship with you. If the terms of this commitment are acceptable to you, please sign the enclosed copy of this letter where indicated and return it with a check payable to MB Financial Bank, N.A. in the amount of $5,000 by December 14, 2014 at which time this commitment shall otherwise expire.

If you have any questions, please contact us.

Sincerely,

MB Financial Bank, N.A.

By: _____
Matt Duntemann
Commercial Banking Officer

ACCEPTED: **Asbury Court, LLC and Des Plaines Property LLC**

By: _____

Name: _____

Title: _____