

SPECIAL MEETING OF THE CHAMPAIGN COUNTY BOARD AGENDA

County of Champaign, Urbana, Illinois
Tuesday, January 9, 2018 – 6:00 p.m.

Lyle Shields Meeting Room, Brookens Administrative Center,
1776 East Washington Street, Urbana, Illinois

<u>Agenda Item</u>	<u>Page #</u>
I. Call To Order	
II. *Roll Call	
III. Read Notice of Meeting	
IV. Approval of Agenda/Addenda	
V. Adoption of Resolution No. 2018-2 Appointing <i>TBD</i> as a County Board Member in District 2 to Fill Diane Michaels' Unexpired Term Ending 11/30/2018 (<i>to be distributed</i>)	
VI. Administration of Oath of Office to County Board Member by County Clerk	
VII. Public Participation	
VIII. Adoption of Resolution No. 2018-1 Authorizing Release of RFP 2018-001 for the Sale, Transfer, or Other Disposition of the Champaign County Nursing Home in Accordance with 55 ILCS 5/5-21001 of the Illinois Counties Code	1-69
IX. Adoption of Resolution No. 2018-3 Authorizing Addendum to Nursing Home Brokerage Agreement with Marcus & Millichap for Property Brokerage and Consulting Services for the Sale or Transfer of the Champaign County Nursing Home	70-71
X. Adoption of Resolution No. 10139 Authorizing the County Board Chair to Sign the Proposed Champaign County Nursing Home Subdivision Plat and Related Applications	72-80
XI. *Adoption of Resolution No. 10187 Authorizing the Issuance of \$1,076,760 Taxable 2017 Nursing Home Purposes Tax Anticipation Warrants in Anticipation of the Collection of Taxes Levied for the Year 2017, by the County Board of The County of Champaign, Illinois, for Nursing Home Fund Purposes, and the Sale of said Warrants to Hickory Point Bank and Trust	81-93
XII. Adoption of Resolution No. 10188 Authorizing Renewal of Loan Resolutions Numbered 9892 and 10097 from the Champaign County General Corporate Fund to the Nursing Home Fund	94
XIII. *Closed Session Pursuant to 5 ILCS 120/2 (c) 11 to Consider Litigation Which is Probable or Imminent Against Champaign County	
XIV. Adjourn	

*Roll Call

**Roll call and 15 votes

***Roll call and 17 votes

****Roll call and 12 votes

Except as otherwise stated, approval requires the vote of a majority of those County Board members present.

RESOLUTION NO. 2018-1

RESOLUTION AUTHORIZING RELEASE OF RFP 2018-001 FOR THE SALE, TRANSFER, OR OTHER DISPOSITION OF THE CHAMPAIGN COUNTY NURSING HOME IN ACCORDANCE WITH 55 ILCS 5/5-21001 OF THE ILLINOIS COUNTIES CODE

WHEREAS, 55 ILCS 5/5-21001 of the Counties Code authorizes a county board to sell, dispose, or lease for any term, any part of the home properties in such manner and upon such terms as it deems best for the interest of the county, and to make and execute all necessary conveyances thereof in the same manner as other conveyances of real estate may be made by a county; and

WHEREAS, 55 ILCS 5/5-21001 of the Counties Code further requires that a home erected after referendum approval by the voters of the county shall not be sold or disposed of except after referendum approval by a majority of the voters of the county voting thereon; and

WHEREAS, by referendum dated April 4, 2017, a majority of voters of the county voting thereon authorized the Champaign County Board to sell or dispose of the Champaign County Nursing Home; and

WHEREAS, the County Board has engaged the brokerage services of Marcus & Millichap Real Estate Investment Services of Chicago to assist the County in procuring and vetting prospective buyers who are ready, willing and able to purchase the home on the terms and conditions set forth by the County; and

WHEREAS, the County Board, in coordination with the Office of the State's Attorney, has engaged the services of outside legal counsel, Sher, LLP, to establish the terms and conditions to set forth in the RFP and its accompanying materials and to further assist in the procurement and vetting of prospective buyers; and

WHEREAS, On October 10, 2017, the Finance Committee of the Whole recommended County Board approval of a resolution authorizing the release of an RFP for the sale, transfer, or other disposition of the Champaign County Nursing Home; and

WHEREAS, The County Board concurs with said recommendation;

NOW, THEREFORE, BE IT RESOLVED that the Champaign County Board authorizes the release of RFP 2018-001 on January 10, 2018 for the sale, transfer, or other disposition of the Champaign County Nursing Home.

PRESENTED, ADOPTED, APPROVED, AND RECORDED this 9th day of January A.D. 2018.

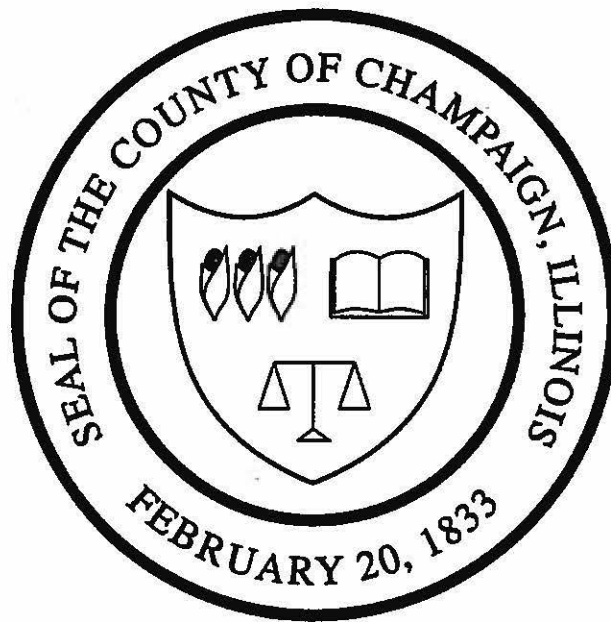
C. Pius Weibel, Chair
Champaign County Board

ATTEST: _____
Gordy Hulten, County Clerk
and ex-officio Clerk of the
Champaign County Board

Request for Proposal

Champaign County Nursing Home

RFP 2018-001



Issue Date: January 10, 2018

REQUEST FOR PROPOSAL (RFP 2018-001)

Champaign County Nursing Home

January 10, 2018

The County of Champaign invites you to submit proposals in accordance with the requirements documented within this Request for Proposal ("RFP"). You must carefully read the attached documents and follow the procedures as outlined to be considered for evaluation and selection. Please refer to section II for complete instructions for submissions.

The proposal shall include the entire response to this Request for Proposal document and any amendments which may subsequently be issued. Proposals received after the deadline stated in this RFP will be considered a late and will be disqualified from further consideration.

Thank you for your interest in this Request for Proposal.

Sincerely,

Debra Busey
Interim County Administrator

I. INTRODUCTION

Champaign County, Illinois (the "County") is requesting proposals for the sale, transfer, or other disposition of the Champaign County Nursing Home ("CCNH") located at 500 South Art Bartell Road, Urbana, Illinois, in as-is condition. CCNH is a 220-bed long-term care and rehabilitation facility with a license for 243 beds. Built in 2005, the building includes an adult day care unit, a secured memory care unit and a recently remodeled wing to support a rehabilitation-to-home unit with private rooms. It is fully licensed by the Illinois Department of Public Health, and is certified by Medicare and Medicaid.

The County of Champaign has a population of 201,082 according to the 2010 U.S. Census. Urbana is the county seat and is part of the Champaign-Urbana Metropolitan Statistical Area that includes Champaign, Ford, and Piatt Counties in Illinois. The MSA population is 231,891 as of the 2010 U.S. Census.

II. INSTRUCTIONS TO PROPOSERS

1. All proposals will be submitted in hard copy and .pdf format to:

Debra Busey
Interim County Administrator
Brookens Administrative Center
1776 East Washington
Urbana, IL 61802
dbusey@co.champaign.il.us

AND

Mr. Joshua Jandris and Mr. Mark Myers
Institutional Property Advisers ("IPA")
8750 W. Bryn Mawr, Suite 650
Chicago, IL 60631 773/867-1482 (tel), 773/867-1510 (fax)
jjandris@ipausa.com
mmyers@ipausa.com

2. All responses to this RFP must be delivered in a sealed envelope clearly labeled "RFP 2018-001 - Champaign County Nursing Home." All proposals must be received by 2:00 pm Central time on Tuesday, February 28, 2018. One (1) original, and one digital/electronic copy of your response to this RFP must be submitted to both locations listed in paragraph 1. Proposals arriving after the deadline will not be accepted.
3. Proposals should provide a concise and accurate description of Proposer's capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content.
4. An authorized representative of the Proposer must complete and sign the proposal.

5. Failure to comply with any part of the RFP may result in rejection of the proposal as non-responsive.
6. In submitting information, it is understood by the undersigned that the right is reserved by the County to accept any submissions, to reject any and all submissions, and to waive any irregularities or informalities which are in the best interest of the County.
7. Property Information: Additional information regarding the property, including: Facility Information, Offering Materials, Due Diligence Information & Proposers Package, can be found at:

[https://liaison3.marcusmillichap.com/\[insert address here\]](https://liaison3.marcusmillichap.com/[insert address here])

Site Visits: Site visits will be held at the facility. Contact Ryan Diak at rdiak@ipausa.com or 773-867-1566 for tour dates and times. Proposers found visiting the site without prior authorization may result in a rejection of that proposal.

III. TERMS AND CONDITIONS

Sale Terms: The minimum acceptable purchase proposal is eleven million dollars (\$11,000,000). Only purchase proposals equal to or above \$11,000,000 will receive consideration. CCNH will be sold to a single entity or multiple entities controlled by the same Proposer. All proposals must be submitted with a certified check in the amount of two hundred fifty thousand dollars (\$250,000), payable to "Champaign County, Illinois" as an earnest money deposit. All Proposers will be required to provide evidence of sufficient assets to purchase the property. Sufficient evidence may include but is not limited to, copies of bank statements, firm lenders' commitments from reputable lending institutions, brokerage accounts in the names of the principals of the Proposer, or a combination of the aforementioned documents, evidencing sufficient liquid assets to close the transaction. *Persons who have not timely delivered the earnest money or who have not provided evidence of sufficient assets will not be considered.* The two hundred fifty thousand dollars (\$250,000) earnest money will be returned to all Proposers, except for the successful Proposer (hereinafter, the "Purchaser"), if any, upon the acceptance of a winning proposal by the County. The two hundred fifty thousand dollar (\$250,000) earnest money deposit shall be transferred to the title company and applied to the Purchaser's total ten percent (10%) earnest money deposit. The County will only accept purchase proposals calling for an all cash purchase of the property. Full payment of the purchase price must be received within the time frames set forth in the form purchase agreement. The Purchaser will be required to pay, by either cash or by certified check, a deposit equal to ten percent (10%) of the purchase price, less the initial two hundred fifty thousand dollar (\$250,000) deposit, within five business days of acceptance of the successful proposal, without respect to the execution of the purchase agreement. The total

earnest money deposit of the Purchaser will be non-refundable, with the total deposit to be credited against the purchase price at closing.

Prior to submitting a proposal, all Proposers must contact Marcus & Millichap Real Estate Investment Services, by specifically calling or emailing either Joshua T. Jandris at jjandris@ipausa.com (773) 867-1482 or Mark L. Myers at Mmmymyers@ipausa.com (773) 867-1470.

THE SALE OF THE PREMISES SHALL INCLUDE BUT NOT BE LIMITED TO THE FOLLOWING ADDITIONAL TERMS AND CONDITIONS:

1. The sale shall be "as is" and the County will make no representations or warranties as to the condition of the property, building or personal property located in the facility.
2. Any sale shall be subject to the final approval of the Champaign County Board. Illinois statute (55 ILCS 5/5-21001), which requires the approval of a two-thirds (2/3) majority of the County Board to authorize a sale or other disposition of the subject property.
3. Closing will occur thru an escrow handled by First American Title Insurance Company.
4. The Purchaser must affirmatively covenant to maintain a skilled nursing facility with 220 beds on the real property and the additional permitted uses thereon shall be limited to a skilled nursing facility, geriatric center, long-term care facility or assisted living facility. These restrictions shall survive the closing, be added to the deed and shall not expire until December 31, 2027.
5. The Purchaser must agree to assume the existing collective bargaining agreements at the facility with American Federation of State, County, and Municipal Employees (AFSCME) Council 31.
6. The Purchaser must agree to re-hire all of the existing employees who pass a background check, not terminate 10% or more of the employees within the first 60 days following the Closing Date and not terminate 20% or more of the current employees during the first 6 months after the Closing Date, all at their current salary levels are not less than provided to them currently, with benefits similar to those currently received by existing employees during such period.
7. What is the Proposer's experience, and what will it offer to the County, concerning issues such as staff training, relationships with family members, resident activities, enhancing resident and facility quality of life, etc.?
8. Priorities for admissions shall first be given to Champaign County residents for a period of 10 years. Each proposal shall indicate how the Proposer plans to address future admissions policies. For example, what is its experience in other facilities with Medicaid admissions, residents with behavioral issues, etc.? What is its historical case mix? What is its history of dealing with short-term acute care and rehabilitation

residents versus longer-term residents, and with Alzheimer's and dementia residents? What would the Proposer anticipate with regard to its admissions priorities if it buys CCNH? Purchaser must agree to set aside a minimum of 50% of the licensed Long-Term Care Facility beds to Medicaid payees for a period of not less than 10 years following Closing.

9. CCNH currently benefits from two volunteer organizations: CCNH Auxiliary and Friends of Champaign County Nursing Home Foundation. What experience does the Proposer have with such organizations at other facilities? How has the Proposer worked with such volunteer organizations to enhance residents' life, family experience or the physical plant itself?
10. Current residents at CCNH shall have the right to remain in the facility as long as they desire, so long as they are eligible to receive care at a SNF level of care. The Proposer agrees to comply with the federal OBRA regulations pertaining to safe and appropriate discharge of current residents. Past and previous experience with residents in other facilities owned by the Proposers shall be referenced. Proposers shall outline what commitments they propose to make to current residents and their families concerning coverage in a quality setting, and for what period of time (including how they have handled any similar purchase transitions in the past). To further demonstrate the Proposer's experience in the long-term care setting to serve elders, please provide Department of Health survey data for three years for your home/homes that demonstrates your commitment to quality and problem resolution. This should also be accompanied by CASPER aggregate data for two years (facility characteristics report and facility quality measures report). The Proposer is required to provide the most recent aggregate Medicare.gov State Rating for every facility in which the Proposer has a majority interest, including the star ratings for health inspections, staffing, and quality measures.
11. An issue of concern to the County in any potential sale is reduced public accountability for the operations of CCNH, and the related issues of how responsible or accountable a new owner would be to the public. How will the Proposer address that issue (i.e., how will it propose to work with and be accountable to the community)?
12. Proposers are encouraged to comment on any innovations in resident/patient care with which they have current experience and which they might wish to consider implementing should they purchase CCNH. Additionally, Proposers will outline for the County, the plans they have to expand the types of care and services offered by the facility, including any additional expansion of the continuum with independent or assisted living, or the addition of various high acuity care services such as bariatric, wound care, head trauma, ventilator care, renal care, outpatient rehab, and how the Proposer has implemented such services at its other nursing facilities. The Proposer will demonstrate how it has worked synergistically with local health care providers (hospitals, doctors, and so forth) in the markets where they operate.

13. The sale is subject to the County and Proposer complying with all municipal, County, State and Federal rules, regulations, mandates and laws, relative to the sale of the nursing home and relative to the present nursing home labor force and employees.
14. As to a sale of CCNH, the County requires that there be no contingencies to closing except as set forth in the form Purchase Agreement, which does include the Proposer having secured a comfort letter from IDPH to operate CCNH. To the extent there are additional contingencies to closing, those contingencies will count against the proposal, including any financing contingency. The County prefers that the successful Proposer demonstrate that it either has the entire purchase price in readily available liquid assets, or that it possesses a loan proposal from an institutional lender sufficient along with its equity to acquire CCNH.
15. The form Purchase Agreement attached hereto (along with the form of Operations Transfer Agreement) must be materially agreed to as a condition of purchase.
16. The County has established positive relationships with its vendors at CCNH. Many of these vendors employ County residents. The Proposer shall agree to accept those service contracts listed on the Operations Transfer Agreement.
17. **FOR THE PURPOSES OF A COMPLETE BID SUBMISSION, INTERESTED PARTIES SHOULD USE THE ABOVE TERMS AND CONDITIONS AS AN OUTLINE FOR THEIR REQUEST FOR PROPOSAL.**
18. All proposals must include at least five (5) references, complete with contact name, address, telephone number, e-mail address and connection to the Proposer. The County reserves the right to contact additional individuals associated with the Proposer.
19. All Proposers should demonstrate to the County that the Proposer has the capability and resources to perform the requirements of this request, and that it has the integrity, experience and reliability to ensure good faith performance in meeting the expectations of this request for proposal, should the Proposer's offer be accepted.
20. The County reserves the right, at its sole discretion, to terminate this process at any time, or reject any and all proposals without penalty, prior to the execution of a purchase agreement acceptable to the County. Priority for the final selection will be given to those proposals that best meet the requirements set forth in the RFP and are in the best interest of the County.
21. The County reserves the right to request clarification of information submitted and to request additional information of one or more applicants.
22. The executed purchase agreement must be on the form attached hereto, shall contain, at a minimum, all applicable provisions of the RFP, and shall not deviate from the form in any material manner. The County reserves the right to reject any agreement that

does not conform with the form purchase agreement, this RFP and any County requirements for agreements and contracts.

23. The County shall not be responsible for any costs incurred by the Proposer in preparing, submitting, or presenting its response to the request for qualifications.

24. All proposals submitted to the County are subject to the Illinois Compiled Statutes Chapter 5, Section 140 (5 ILCS 140/Freedom of Information Act). Any information submitted in a proposal which the Respondent considers to be proprietary or otherwise exempt from disclosure, the Respondent must invoke, in writing, the exemption(s) to disclosure provided by 5 ILCS 140/Freedom of Information Act in its proposal by providing the specific statutory authority for claimed exemptions, identifying the data or other materials to be protected, and stating the reasons why such exclusion from public disclosure is necessary. Furthermore, to designate portions of the bid as confidential, the Respondent must:

Mark the cover page as follows: "This proposal includes trade secrets or other proprietary data."

Mark each sheet or data to be restricted with the following legend: "Confidential: Use of disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal."

Provide an electronic, redacted copy of the entire bid or submission in .pdf format for posting on the County's website for public inspection. Respondent is responsible for properly and adequately redacting any proprietary information or data which Respondent desires remain confidential. If entire pages or sections are removed, they must be represented by a page indicating that the page or section has been redacted. Failure to provide an electronic version of a redacted copy may result in the posting of an un-redacted copy.

Indiscriminate labeling of material as "Confidential" may be grounds for deeming a bid as non-responsive.

Champaign County will make the final determination as to whether information, even if marked "confidential," will be disclosed pursuant to a request under the Freedom of Information Act or valid subpoena. Respondent agrees not to pursue any cause of action against Champaign County or its agents for its determination in this regard and disclosure of information. At some point after proposal opening, all opened proposals will be made available for public inspection consistent with 5 ILCS 140/Freedom of Information Act. If a contract is awarded through this RFP, the awarded contract will also become a public record consistent with 5 ILCS 140/Freedom of Information Act. The County has the right to use any or all information/material submitted. Champaign County reserves the right to make an award to the Respondent offering a proposal in the best interests of the County and meeting all the requirements of this RFP.

IV. PROPOSAL FORMAT

- 1. The proposal must be presented in the order as described. To be considered substantive, the proposal must respond to all requirements of this part of the RFP. Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal.**

V. TIMELINE

Publication of RFP and Opening of Marketing Room	January 10, 2018
Questions Due	February 9, 2018
Addendum or Addenda Issued	February 16, 2018
Pre-Proposal Site Visits, if any	February 20-22, 2018
Proposals Due – Bid Deadline	February 28, 2018
Tour of Proposers Facilities and Interviews	March 12-16, 2018
Select Qualified Buyer and Close Bidding Process	After March 19, 2018 and Before May 1, 2018

ASSET PURCHASE AGREEMENT

by and among

THE COUNTY OF CHAMPAIGN, ILLINOIS,
a public body corporate and politic of the State of Illinois,
as Seller

and

[PURCHASER, LLC],
an [Illinois limited liability company],
as Purchaser

_____, 2018

Champaign County Nursing Home
500 South Art Bartell Road
Urbana, Illinois 61802

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SCHEDULES AND EXHIBITS

Schedule 9(c)	Permitted Title Exceptions
Schedule 13(h)	Litigation
Exhibit A	Legal Description of Facility
Exhibit B	Strict Joint Order Escrow Agreement
Exhibit C	Operations Transfer Agreement

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "*Agreement*") is made and entered into as of this ____ day of _____, 2018 (the "*Effective Date*") by and between **THE COUNTY OF CHAMPAIGN, ILLINOIS**, a public body corporate and politic of the State of Illinois ("*Seller*"), as seller, and [PURCHASER, LLC], an [Illinois limited liability company] ("*Purchaser*"), as purchaser.

RECITALS

A. Seller owns and is the licensed operator of that certain 220 bed nursing facility, which is licensed for 243 skilled nursing beds, commonly known as Champaign County Nursing Home, 500 South Art Bartell Road, Champaign, Illinois 61802 (the "*Facility*"), including (i) the land on which the Facility is located, which is legally described on **Exhibit A**, attached hereto and made a part hereof, together with all easements, hereditaments, privileges and appurtenances appurtenant thereto (collectively, the "*Land*"), (ii) the buildings and improvements located on the Land, including the Facility and any patios, courtyards, fences, parking areas and storage structures (the "*Improvements*"), and (iii) the furniture, fixtures, equipment and systems located in the Improvements and used in connection with the ownership and operation of the Facility (the "*FF&E*").

B. Seller desires to sell and transfer the Property (as hereinafter defined) to Purchaser and Purchaser desires to purchase the Property from Seller on the terms and conditions set forth in this Agreement.

C. Concurrent with the closing of the transactions contemplated herein, Purchaser may, as lessor, enter into a new lease agreement for the Facility with [New Operator, LLC], an [Illinois limited liability company] ("*New Operator*"), pursuant to which New Operator, as lessee, shall be the new licensed operator of the Facility.

D. Certain operational matters related to the transfer of the operations of the Facility from Seller to New Operator not otherwise addressed herein shall be handled pursuant to the terms of a separate operations transfer agreement (the "*OTA*") to be entered into by and among Seller, New Operator and SAK Management Services, LLC ("*Manager*"), which shall govern with respect to the transfer of the operations of the Facility from Seller and Manager to New Operator and shall provide for a closing thereunder concurrent with the Closing (as hereinafter defined) under this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the Purchase Price (as hereinafter defined) and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound hereby, agree as follows:

1. **PURCHASE AND SALE.** On the terms and conditions set forth herein, (a) Seller shall sell, assign, transfer, convey and deliver fee simple title in the Real Property to Purchaser on the Closing Date and Purchaser shall purchase the Real Property from Seller free and clear of all liens

other than Permitted Exceptions (as defined herein), (b) Seller shall sell, assign, transfer, convey and deliver the Personal Property to Purchaser and Purchaser shall purchase, receive and accept the Personal Property from Seller free and clear of all liens, and (c) Seller shall assign, transfer, convey and deliver the Intangible Property to Purchaser, and Purchaser shall purchase, receive and accept the Intangible Property from Seller free and clear of all liens.

2. **THE PROPERTY.** The “*Property*” shall collectively be the following:

a. **Real Property.** The real property shall consist of all of Seller’s right, title and interest in: (i) the Land, (ii) the Improvements, (iii) the FF&E, (iv) any other interest of Seller in all easements, if any, to the extent of any such interest of Seller and (v) any other structure or improvements located on the Land (collectively, the “*Real Property*”).

b. **Personal Property.** The personal property shall consist of all of Seller’s right, title and interest in the computer hardware, telephones and telephone systems, non-proprietary marketing and promotional materials relating to the Facility, including data from websites or internet domains associated with the Facility, non-proprietary stationery, kitchen equipment, resident room furnishings in the possession of Seller or relating to the Real Property or the Improvements and all other tangible property and assets (except for FF&E) that is located on the Real Property and utilized in connection with the owning, operating or managing of the Facility (collectively, the “*Personal Property*”).

c. **Intangible Property.** The intangible property being assigned, set over and transferred by Seller to Purchaser shall consist of: (i) any special use permits from the city or municipality, (ii) any certificate of need, (iii) goodwill associated with the business and the reputation of the Facility, and (iv) any third party warranties or guaranties associated with the Property, all to the extent related specifically to the Facility and as assignable by law (collectively, the “*Intangible Property*”).

3. **EXCLUDED PROPERTY.** Notwithstanding those items set forth in Section 2 above, the following shall be excluded from the sale by Seller to Purchaser hereunder (collectively, the “*Excluded Property*”): (a) cash and cash equivalents, short-term investments and third-party payor settlements, (b) Seller’s rights under this Agreement and the agreements to be executed in connection herewith, (c) Seller’s organizational documents, (d) personal property owned by residents of the Facility and not by Seller, (e) personal property owned by third party vendors and leased to Seller or any entity providing services at the Facility for use in connection with the operations of the Facility, except to the extent Seller’s interest in such leased property is legally transferable and expressly assumed by Purchaser or New Operator under this Agreement or the OTA, (f) any confidential or proprietary information of Seller or Seller’s affiliates that is not primarily used or held in connection with the Facility, (g) any accounts receivable, accounts payable or liabilities associated with the operation of the Facility prior to the Closing Date, (h) any property or confidential or proprietary information of Seller or any of its affiliates that is not primarily used or held in connection with the Facility, and (i) any items transferred pursuant to the terms of the OTA.

4. **CLOSING.**

a. **Closing Date.** The closing of the purchase and sale pursuant to this Agreement (the "**Closing**") shall take place through an escrow (the "**Closing Escrow**") to be established with First American Title Insurance Company (the "**Title Company**"), pursuant to escrow instructions that conform to the terms hereof, on [____], 2018, to be effective at 12:01 a.m. on the following day (the "**Closing Date**"), provided that all other conditions to close as set forth herein have been satisfied or waived pursuant to the terms of this Agreement prior to the Closing Date.

b. **Possession.** All FF&E and Personal Property shall be located at the Facility on the Closing Date. After the Closing, Purchaser shall have free and clear title to the Property, subject to the Permitted Exceptions, and be entitled to possession of the Property, subject only to the possessory rights of the residents at the Facility in accordance with ordinary course operation of the Facility.

5. **PURCHASE PRICE.**

a. **Purchase Price.** In consideration for the conveyance of the Property, Purchaser shall pay to Seller the amount of _____ **MILLION** _____ **HUNDRED THOUSAND DOLLARS** (\$____,____,000.00) (the "**Purchase Price**"), payable in immediately available funds on the Closing Date, plus or minus the credits and proration set forth in this Agreement.

b. **Escrow Deposit.** Purchaser previously deposited with Seller the amount of Two Hundred Fifty Thousand Dollars (\$250,000.00), as earnest money (the "**Initial Escrow Deposit**"). Within one (1) business days after the Effective Date, Seller and Purchaser shall execute the Strict Joint Order Escrow Instructions in the form of Exhibit B. Within three (3) business days of the execution of this Agreement, Seller shall transfer the Initial Escrow Deposit into the escrow established with the Title Company and Purchaser shall deposit with Title Company the additional amount of Eight Hundred Thousand Dollars (\$800,000.00) (the "**Additional Escrow Deposit**" and, collectively with the Initial Escrow Deposit, the "**Escrow Deposit**"). The Escrow Deposit and any interest earned thereon shall be credited to Purchaser against the Purchase Price at Closing and transferred to the Closing Escrow for disbursement as provided herein.

c. **Purchase Price Allocation.** Prior to the Closing, the parties to this Agreement expressly agree to use best efforts to allocate the Purchase Price of the Property and among the real, personal and intangible property for all tax purposes. Purchaser's proposal for an allocation shall be delivered to Seller at least five (5) business days prior to the Closing Date. Any such agreed upon allocation shall be memorialized in writing prior to the Closing. After the Closing, the parties shall make consistent use of the agreed upon allocation, fair market value and useful lives for all tax purposes and in all filings, declarations and reports with the IRS in respect thereof, including the reports required to be filed under Section 1060 of the Internal Revenue Code. In any proceeding related to the determination of any tax, neither party shall contend or represent that such allocation

is not a correct allocation.

6. COSTS AND CREDITS.

a. **Purchaser's Charges.** On the Closing Date, Purchaser shall be responsible for the cost of the Title Commitment, Title Policy (both as hereinafter defined) and recording fees for the Deed.

b. **Seller's Charges.** On the Closing Date, Seller shall be responsible for the cost of recording fees for the Removable Exceptions (as hereinafter defined) and Survey Defects (as hereinafter defined) which Seller is obligated or agreed to correct per Section 9(d).

c. **Attorney's Fees.** Except as otherwise expressly set forth herein, each party hereto shall each pay their own attorney's and other professional fees in connection with this matter.

d. **Escrow Fees.** Seller and Purchaser shall equally pay any Closing escrow fees.

e. **Additional Fees.** Except as expressly provided otherwise in this Agreement, all other transaction costs shall be allocated between Seller and Purchaser in the manner customary for transactions in the location of the Facility.

7. PRORATIONS. The following shall be prorated as of the Closing Date (so that Purchaser receives all of the benefits and revenues, and is responsible for all of the expenses, commencing on the Closing Date and thereafter) and shall be settled by a credit or debit against the Purchase Price at the Closing:

a. **Real Estate Taxes.** The parties acknowledge there are no real estate taxes accrued, due or payable for the period prior to the Closing Date so there shall be no proration of real estate taxes made at Closing.

b. **Utilities.** Seller shall pay all utility charges attributable to the Property through and including the Closing Date that are not otherwise paid or prorated by Seller pursuant to the terms of the OTA. Charges and deposits for water, fuel, gas, oil, heat, electricity and other utility and operating charges and prepaid service contracts will be based upon the last available invoice. Seller will attempt to obtain final utility meter readings as close as possible to the Closing Date.

c. **Operational Prorations.** The operational prorations shall occur pursuant to the terms of the OTA, including without limitation, revenues and expenses pertaining to the Facility, utility charges for the billing period in which the Closing Date occurs, assumed contracts, utilities, prepaid income and expenses, bed taxes, security deposits, employee accruals, resident trust funds and other related items of revenue or expense attributable to the Facility, if any, which shall be prorated as of the Closing Date per the terms of the OTA.

8. **DUE DILIGENCE.**

a. **Due Diligence Items.** Purchaser and Seller acknowledge that prior to the Effective Date, Seller has provided Purchaser with access to an online data room containing copies of due diligence materials in Seller's possession.

b. **Third Party Reports.** Purchaser shall have fifteen (15) business days from the Effective Date ("*Inspection Period*") to conduct a property condition report and environmental study on the Property. Seller shall permit Purchaser and its representatives, lender and lender's representatives, contractors, land surveyors, environmental companies and other agents ("*Representatives*") access to the Real Property in connection with the Purchaser's third party reports, provided that such access rights are not disruptive to the operations at the Facility, provided Purchaser has delivered proof of insurance to Seller, and further provided that Purchaser and its Representatives are at all times in compliance with all state and federal laws governing the rights of the residents of the Facility.

c. **Indemnification.** Purchaser agrees to indemnify, defend, protect and hold harmless Seller, and Seller's respective affiliates, members, officers, directors and agents from and against any loss, injury, damage, claim, lien, cost or expense, including reasonable attorneys' fees and costs, arising from or related to the access rights exercised by Purchaser or its employees, consultants, agents or Representatives under this Agreement. Purchaser shall carry, and shall cause any of its agents or representatives entering onto the Real Property to carry, workers' compensation and general liability insurance in the amount of \$1,000,000 per occurrence, which insurance shall name Seller as an additional insured. Purchaser shall keep the Property free and clear of any mechanic's or materialmen's liens arising out of any entry onto or inspection of the Property by or on behalf of Purchaser.

d. **Notice of Termination.** If Purchaser's third party reports disclose over \$150,000 in immediate repairs at the Property (required in the aggregate in the next six months), then Purchaser shall have the right, in its sole discretion, to terminate this Agreement by written notice to Seller, at any time before the end of the Inspection Period ("*Inspection Termination Notice*"), in which event Seller shall promptly direct the Title Company to refund the Escrow Deposit less a \$50,000 termination fee to be delivered Purchaser, and all further rights and obligations of the parties hereto shall cease and terminate without any further liability of either party to the other (except those obligations which expressly survive such termination as provided in this Agreement). If Purchaser does not provide an Inspection Termination Notice on or before the end of the Inspection Period, this specific right of termination shall be itself terminated and, thereafter, Purchaser shall not have any right to terminate this Agreement based on any due diligence and the Escrow Deposit shall be nonrefundable except as otherwise expressly provided in this Agreement.

9. **TITLE AND SURVEY.**

a. **Title Policy.** Purchaser acknowledges that Seller has delivered to it a commitment to issue standard Owner's Title Insurance Policy for the Property (the "*Title*

Commitment") from the Title Company showing title to the Real Property vested in Seller. Seller covenants to reasonably cooperate with Purchaser to have the Title Company at Closing issue a title policy from the Title Commitment ("*Title Policy*") or a markup or proforma of the Title Commitment, subject only to the Permitted Exceptions (as hereinafter defined).

b. **Survey.** Purchaser acknowledges that Seller has delivered to Purchaser a proposed Plat of Subdivision for the Property that it intends to have recorded on or prior to the Closing Date. Purchaser may order a new ALTA Survey for the Real Property (the "*Survey*") at its cost.

c. **Permitted Exceptions and Removable Exceptions.** The term "*Permitted Exceptions*" shall mean: (i) the liens of real estate taxes that are not yet due and payable on the Closing Date; (ii) those items set forth on Schedule B to the Title Commitment and set forth on Schedule 9(c)(ii); (iii) those easements and covenants described on Schedule 9(c)(iii) that the Seller intends on recording at or prior to the Closing; (iv) matters disclosed by the Survey without Survey Defects or that are otherwise accepted by Purchaser per the terms of this Agreement; and (v) the rights of residents in possession. The term "*Removable Exceptions*" shall mean title exceptions pertaining to liens or encumbrances of a definite or ascertainable amount that Seller will remove by the payment of money on the Closing Date.

d. **Correction of Survey Defects.** Within thirty (30) days after the Effective Date (the "*Objection Deadline*"), Purchaser shall notify Seller in writing if the Plat of Subdivision or a Survey discloses items that prevent the Property from being operated in substantially the same manner as it is being operated on the Effective Date ("*Survey Defects*"). After receipt of notice from Purchaser, Seller shall have five (5) business days to provide written notice to Purchaser as to whether Seller elects to: (a) correct such Survey Defects before the Closing, (b) have the Title Company commit to insure over the Survey Defect, or (c) not remove or correct any such Survey Defects. If Seller fails to timely respond or elects not to remove or correct any such Survey Defects, then Purchaser may elect within five (5) business days with written notice to Seller to (x) take the Property as it then is; or (b) terminate this Agreement by written notice to Seller (which shall be deemed a termination pursuant to Section 20(a)(i) of this Agreement) and in which event the Escrow Deposit shall be returned to Purchaser.

10. PRE-CLOSING COVENANTS.

a. **Seller's Covenants.** Seller hereby agrees and covenants to Purchaser that between the Effective Date and the Closing Date, except as otherwise contemplated by this Agreement or with the prior written consent of Purchaser:

i. Seller shall use its best efforts to timely obtain any necessary third party consents for the valid conveyance, transfer, assignment or delivery of the Property being transferred per this Agreement.

- ii. Seller shall notify the Illinois Department of Revenue (the “IDR”) and shall request tax clearance certificates from IDR. No later than ten (10) business days prior to the Closing Date, Seller shall (1) obtain either a full release of claims from the IDR with respect to all debts owed by Seller or a statement setting forth all IDR debts owed by Seller and (2) provide Purchaser with a statement setting forth the amount owed by Seller with respect to all Illinois and federal payroll, assessment and other taxes and all license fees, including supporting materials.¹
- iii. Seller shall maintain all of its books and records related to the Facility in accordance with past practices.
- iv. Seller shall pay when due all taxes, assessments and charges imposed upon Seller with respect to the Facility.
- v. Seller will satisfy and discharge or contest in good faith all claims, liens, security interests and encumbrances on the Property, except for the Permitted Exceptions.
- vi. Seller shall deliver the Property to Purchaser on the Closing Date in substantially the same condition and repair as on the Effective Date, ordinary wear and tear excepted.
- vii. Seller will not sell any items of machinery, equipment, or other assets or Property used in connection with the Facility, other than in the ordinary course of business.
- viii. Seller shall not make any capital expenditures on the Facility, except (A) in the event of a casualty or condemnation as permitted per the terms of this Agreement, (B) to make ordinary and necessary repairs to the Facility, or (C) to comply with a governmental or Life Safety Code regulation.
- ix. Seller shall not change employment terms for the Facility employees, or institute, amend, or terminate its employment benefit plans, except for normal and customary raises or amendments consistent with prior business practices.
- x. Seller shall maintain in force and renew as necessary on commercially reasonable terms the existing insurance policies as are now in effect for the Property.
- xi. From the Effective Date until through the earliest of the Closing Date or the termination of this Agreement, Seller has not and shall not, directly or indirectly, (a) enter into negotiations with any party other than Purchaser regarding the sale of

¹ Since the County isn't selling substantially all of its assets, the bulk sales and IDR letters may not be required. Let me research this. I would otherwise be concerned because your tax clearance letter will deal with all County employees and not just those at the Nursing Home.

the Property, or (b) provide information to any party other than Purchaser regarding the sale of the Property.

b. **Purchaser's Covenants.** Purchaser hereby agrees and covenants that between the Effective Date and the Closing Date, Purchaser will (i) require New Operator to make all required applications, file such notices and pay such fees as are necessary in connection with New Operator's efforts to obtain the IDPH Licenses, Medicare and Medicaid provider certification and provider agreements (collectively, the "*Facility Licenses*"), and (ii) cooperate with all reasonable requests from Seller with respect to obtaining any other consents or authorizations related to the sale of the Facility.

c. **General Joint Covenants.** Each party shall promptly notify the other party of any information delivered to or obtained by such party which would impair or prevent the consummation of the transactions contemplated hereby.

11. **CONVEYANCES.** Conveyance of the Real Property to Purchaser shall be by Special Warranty Deed (the "*Deed*"), containing full warranties of title for matters affecting title that occurred during Seller's ownership of the Property, free and clear of all liens, encumbrance and security interests, also containing the covenants set forth in Section 22, subject only to the Permitted Exceptions. Conveyance of the FF&E and Personal Property shall be by Bill of Sale (the "*Bill of Sale*") from Seller to Purchaser containing full warranties of title free and clear of all liens, encumbrances and security interests other than the Permitted Exceptions. Conveyance of the Intangible Property shall be by General Assignment (the "*General Assignment*") from Seller to Purchaser, containing full warranties of title and free and clear of all liens, encumbrances and security interest other than the Permitted Exceptions. Purchaser agrees that the presence of the Personal Property at the Facility on the Closing Date shall constitute delivery thereof.

12. **CLOSING DELIVERIES**

a. **Purchaser's Closing Deliveries.** On or before the Closing Date, Purchaser agrees that it will deliver into the Closing Escrow (except as otherwise set forth below) executed originals of the following documents, in form and substance reasonably satisfactory to counsel for Seller and Purchaser ("*Purchaser's Closing Deliveries*"):

i. Deposit by wire transfer into the Closing Escrow, the balance of the Purchase Price due at Closing after crediting the Escrow Deposit, plus or minus the prorations and credits due at Closing.

ii. Such documents, certifications and statements as may be required by the Title Company to issue the Title Policy including, without limitation, a Title Company Disbursement Statement signed by Purchaser approving each and every one of the payments and disbursements made by the Title Company through the Closing Escrow.

iii. A Certificate of Good Standing or similar document for Purchaser from the Secretary of State of the state in which such Purchaser is organized, and certified

copies of the resolutions of Purchaser authorizing the execution, delivery and consummation of this Agreement and the execution, delivery and consummation of all other agreements and documents executed in connection herewith, including all instruments required hereunder, sufficient in form and content to meet the requirements of law relevant to such transactions and certified by the managers of Purchaser as adopted and in full force and effect and unamended as of Closing.

iv. The Escrow Holdback Agreement.

v. A date-down certificate dated as of the Closing Date certifying that all of the representations and warranties made and given by Purchaser in this Agreement are true and correct as of the Closing Date.

vi. Such further instruments and documents as are reasonably necessary to complete the transfer of the Property to Purchaser in accordance with the terms of this Agreement.

b. Seller's Closing Deliveries. On or before the Closing Date, Seller will deliver into the Closing Escrow (except as otherwise set forth below) executed originals of the following documents, in form and substance reasonably satisfactory to counsel for Purchaser and Seller ("***Seller's Closing Deliveries***"):

i. The Deed conveying the Real Property from Seller to Purchaser, executed by Seller.

ii. The Bill of Sale for the FF&E and Personal Property at the Facility from Seller to Purchaser.

iii. The General Assignment for the Intangible Property, from Seller to Purchaser.

iv. Resolutions of the Champaign County Board (the "***Board***") authorizing Seller to execute the closing documents, sufficient in form and content to meet the requirements of law relevant to such transactions, which resolutions shall be certified to be true copies by the Clerk of the Board.

v. Such documents, certifications and statements as may be required by the Title Company to issue the Title Policy including, without limitation, a copy of the Title Company Disbursement Statement signed by Seller approving the payments and disbursements made by the Title Company.

vi. Any statement, affidavit or undertaking required by the Title Company in order to give Purchaser good and clear title to the Property per the requirements of this Agreement.

vii. Real Estate Transfer Tax Declarations for the Real Property, if any.

viii. A date-down certificate certifying that all of the representations and warranties made and given by Seller in this Agreement are true and correct as of the Closing Date.

ix. Copies of any payoff letters or releases with respect to any Removable Exceptions and any other mortgage secured by the Property.

x. The Escrow Holdback Agreement.

xi. Such further instruments and documents as are reasonably necessary to complete the transfer of the Property to Purchaser in accordance with the terms of this Agreement.

13. **SELLER'S REPRESENTATIONS AND WARRANTIES.** Seller hereby represents and warrants to Purchaser that the following statements are true and correct as of the date hereof and will be true and correct on the Closing Date:

a. **Status.** Seller is a public body corporate and politic under the laws of the State of Illinois and is duly qualified to own property and conduct business in the State of Illinois.

b. **Authority.** Seller has the full right, power and authority to enter into this Agreement.

c. **Necessary Action.** Seller has taken all action required under its organizational documents necessary to enter into this Agreement. This Agreement has been duly executed and delivered by Seller.

d. **Compliance with Agreements.** The execution, delivery and performance of this Agreement and the consummation of the transaction contemplated herein, and all related documents will not result in a default under any deed of trust, mortgage, note, agreement, organizational document, or other instrument or obligation to which Seller is a party or by which the Property may be bound or affected and which will not be released, paid off or otherwise satisfied in connection with or prior to the Closing.

e. **Binding Agreement.** This Agreement and all agreements to which Seller will become a party pursuant hereto are and will constitute the valid and legally binding obligations of Seller and are and will be enforceable against Seller in accordance with the respective terms hereof and thereof, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforceability of creditors' rights generally, general equitable principles and the discretion of courts in granting equitable remedies.

f. **Title.** Seller has fee simple title to the Real Property, free and clear of all liens, encumbrances, covenants, conditions, restrictions, leases, tenancies, licenses, claims and options, except for the Permitted Exceptions.

g. No Default. To the best of Seller's knowledge, there is no default by Seller with respect to any obligations under any mortgage, contract, lease or other agreement affecting or relating to the Property.

h. Litigation. There are no lawsuits, investigations or other proceedings pending or, to Seller's knowledge, threatened against the Seller related to the Facility or Seller's right to own the Property or Seller's right to enter into this Agreement, other than as set forth in **Schedule 13(h)**. To Seller's knowledge, there are no ongoing audits of the Facility's billing by any third-party payor.

i. AS IS. Purchaser acknowledges and agrees that neither Seller nor any agent or representative of Seller have made, and Seller is not liable or responsible for or bound in any manner by any express or implied representations, warranties, covenants, agreements, obligations, guarantees, statements, information or inducements pertaining to the physical condition of the Property, and specifically, the Facility, including all environmental matters, the quantity, character, fitness and quality thereof, merchantability, fitness for particular purpose, the income, expenses or operation thereof, the value and profitability thereof, the structural and mechanical condition of the buildings, structures and improvements situated thereon, the plumbing, heating, air conditioning, electric and ventilating systems serving the Property and any other matter or thing whatsoever with respect thereto. Purchaser acknowledges, agrees, represents and warrants that it has and shall have the opportunity to inspect the Property and all matters comprising the Property, including the Facility, and has or shall have access to information and data relating to all of same as Purchaser deems necessary, prudent, appropriate or desirable for the purposes of this transaction. Purchaser acknowledges that it is fully familiar with the Property and Purchaser expressly agrees to accept the Property "**AS IS, WHERE IS AND WITH ALL FAULTS**", in its current condition, subject to reasonable wear and tear. In addition to, and without limiting the foregoing, Purchaser further acknowledges and agrees that the Property is conveyed in its "**AS IS**" condition with respect to environmental matters, and Purchaser hereby assumes the risk that adverse past, present or future conditions may not be revealed in its inspection or investigation.

j. Financial Statements. To the best of Seller's knowledge, the financial statements furnished to New Operator and Purchaser are true, correct and complete in all respects, fairly represent the financial condition of New Operator and are not misleading in any respect.

k. Survival of Representations or Warranties. The representations and warranties of Seller under this Agreement shall survive the Closing of the transaction contemplated hereunder for the period of twelve (12) months after the Closing Date; provided, however, that the representations and warranties set forth in **Section 13(a)** (Status) and **Section 13(b)** (Authority), together with any right to indemnification for breach thereof, shall survive the Closing and continue in full force and effect for the maximum period permitted by applicable law.

14. **PURCHASER'S REPRESENTATIONS AND WARRANTIES.** Purchaser hereby warrants and represents to Seller that the following statements are true and correct as of the date hereof and will be true and correct on the Closing Date:

a. **Status.** Purchaser is a [limited liability company] duly formed and validly existing under the laws of the State of Illinois and is duly qualified to own property and conduct business in the State of Illinois.

b. **Authority.** Purchaser has full right, power and authority to enter into this Agreement.

c. **Necessary Action.** Purchaser has taken all action required under its organizational documents necessary to enter into this Agreement. This Agreement has been duly executed and delivered by Purchaser.

d. **Survival of Representations and Warranties.** The representations and warranties of Purchaser under this Agreement shall survive the closing of the transactions completed hereunder for a period of twelve (12) months after the Closing Date; provided, however, that the representations and warranties set forth in **Section 14(a)** (Status of Seller) and **Section 14(b)** (Authority), together with any right to indemnification for breach thereof, shall survive the Closing and continue in full force and effect for the maximum period permitted by applicable law.

15. **CONDITIONS TO PURCHASER'S OBLIGATIONS.** Purchaser's obligations under this Agreement, including the obligation to pay the Purchase Price and close this transaction, are contingent and subject to fulfillment of each of the following conditions prior to the Closing Date, any one of which may be waived by Purchaser in writing (collectively, "**Purchaser's Conditions Precedent**"):

a. **Certification.** Between the Effective Date and the Closing Date, there shall not have been any material adverse change in the regulatory status or condition of any of Seller's certifications for the Facility's participation in the Medicare and Medicaid reimbursement programs.

b. **Seller's Representations, Warranties and Covenants.** Seller's representations, warranties and covenants contained in this Agreement or in any certificate or document delivered in connection with this Agreement or the transactions contemplated herein shall be true as of the Closing Date as though such representations, warranties and covenants were then again made.

c. **Seller's Performance.** Seller shall have performed all of its obligations and covenants under this Agreement that are to be performed prior to or at Closing.

d. **Closing Deliveries.** Seller shall have executed and delivered all of Seller's Closing deliveries per **Section 12(b)**.

- e. **Title Insurance.** On the Closing Date, Seller shall deliver insurable fee simple title to the Real Property, subject only to the Permitted Exceptions.
- f. **Change in Ownership.** There has been no change in the ownership, operation or control of the Property (or any portion thereof) between the Effective Date and the Closing Date.
- g. **Absence of Litigation.** No action or proceeding has been instituted or, to Seller's knowledge, threatened before any court or governmental body or authority the result of which is reasonably likely to prevent the acquisition by Purchaser of the Property, or the consummation of the transaction contemplated hereby. There are no orders which are entered after execution of this Agreement and prior to Closing and which shall result in the immediate forced closing of the Facility prior to the Closing Date.
- h. **No Material Adverse Change.** Since the end of the Inspection Period, there shall have been no material adverse change in the physical condition of the Property. For purposes of this Agreement "material adverse change" shall mean any event, occurrence or change that is materially adverse to the physical condition of the Property, when taken as a whole, but shall exclude any adverse effect resulting from, arising out of or relation to (A) war or terrorism, (B) acts of God; (C) changes affecting the Illinois senior housing industry generally, (D) changes in business or economic conditions in the United States generally, (E) actions made pursuant to the terms of this Agreement, the OTA or with Seller's express written consent; or (F) any announcement or disclosure of the pendency of the transactions set forth herein or in the OTA.
- i. **Removal of Personal Property Liens.** The Property shall be free and clear of all liens, claims and encumbrances other than those expressly permitted herein or that will be paid or otherwise satisfied by Seller on the Closing Date.
- j. **Zoning.** Purchaser shall receive zoning compliance letters reflecting the Property's compliance with respect to the Facility and permitting the continued operation by Purchaser or New Operator of the Facility on the Property as a skilled nursing facility, provided, Purchaser timely requested the same. There shall not be any change in the use of the Facility since the issuance of the zoning compliance letters to Purchaser.
- k. **New Licenses.** Provided New Operator timely applied to IDPH and used best efforts to submit a correct and complete application, New Operator shall have received adequate assurance of obtaining the IDPH License, which may occur by receipt of a letter or email from IDPH stating that the License shall be issued upon notification of the Closing.
- l. **Personal Property; FF&E.** All FF&E and other Personal Property shall be located at the Facility on the Closing Date. Unless specifically permitted pursuant to the terms of this Agreement, Seller shall not have removed any FF&E or Personal Property from the Facility.
- m. **Licenses.** To the extent required by law, as of the Closing Date:

- i. The Facility is licensed by IDPH, which license shall on the Closing Date be in good standing and full force and effect, permitting the operation of the Facility as a skilled nursing facility with 243 skilled nursing beds (the "*Licensed Beds*").
- ii. The Facility is not subject to a denial for payment of new admissions.
- iii. The Facility shall be in substantial compliance with and certified for participation in Medicaid and Medicare programs, which certifications shall on the Closing Date be in good standing and full force and effect, subject to no waivers and limitations.
- n. **Code Violations.** There shall be no outstanding Life Safety Code or IDPH violations with a scope and severity level that represents substandard quality of care that have not been corrected at least three (3) business day prior to the Closing Date.
- o. **Schedules and Exhibits.** Purchaser shall have approved of any Exhibits or Schedules added hereto, or updated, following the Effective Date.
- p. **Operations Transfer Agreement.** Seller and New Operator shall have entered into the OTA in the form of Exhibit C. All conditions precedent required for the consummation of the transactions set forth in the OTA shall have been met, except for the Closing hereunder.
- q. **Accuracy of Representations and Warranties of Seller.** No representation or warranty by or on behalf of Seller contained in this Agreement, and no statement by or on behalf of Seller in any certificate, list, exhibit or other instrument furnished or to be furnished to Purchaser by or on behalf of Seller pursuant hereto, contains any materially untrue statement, or omits or will omit to state any fact which is material and necessary in order to make the statements contained therein, in light of the circumstances under which they are made, not misleading in a material way. For the avoidance of doubt, and notwithstanding anything herein to the contrary, Seller shall have no liability for any inaccuracy or breach of any representation or warranty if Purchaser had knowledge of said inaccuracy or breach or the underlying facts giving rise to such inaccuracy or breach, before the Closing.
- r. **Special Use Permit.** The City of Urbana, Illinois shall have issued such opinions and/or new permits, if needed, allowing a non-governmental entity to own and operate the Property.

16. **CONDITIONS TO SELLER'S OBLIGATIONS.** All obligations of Seller under this Agreement are subject to fulfillment of each of the following conditions prior to the Closing Date (or on the Closing Date where so indicated), any one or all of which may be waived by Seller in writing (collectively, "*Seller's Conditions Precedent*"):

- a. **Purchaser's Representations, Warranties and Covenants.** Purchaser's representations, warranties and covenants contained in this Agreement or in any certificate

or document delivered in connection with this Agreement or the transactions contemplated herein shall be true at the Effective Date and as of the date of Closing as though such representations, warranties and covenants were then again made.

b. **Purchaser's Performance.** Purchaser shall have performed its obligations and covenants under this Agreement that are to be performed prior to or at Closing, including but not limited to application for all appropriate licenses and delivery of all of Purchaser's Closing deliveries.

c. **Absence of Litigation.** No action or proceeding shall have been instituted, nor any judgment, order or decree entered by any court or governmental body or authority preventing the acquisition by Purchaser of the Property or the acquisition by Purchaser of the Personal Property or the consummation of any other transaction contemplated hereby.

d. **Closing Deliveries.** On the Closing Date, Purchaser shall have executed and delivered to Seller all of Purchaser's Closing Deliveries under **Section 12(a)**.

e. **Board Approval.** The Board shall have approved the disposition of the Property by a vote of a two-thirds majority of the full Board.

g. **Special Use Permit.** The City of Urbana, Illinois shall have issued such opinions and/or new permits, if needed, allowing a non-governmental entity to own and operate the Property.

17. **ACCESS TO RECORDS.**

a. **Facility Records.** On the Closing Date, Seller shall leave at the Facility for Purchaser or New Operator all of Seller's records for the existing Facility employees and residents.

b. **Seller's Access to Records.** Subsequent to the Closing Date, Purchaser and New Operator shall grant Seller and its respective agents and representatives access to (upon reasonable prior notice and during normal business hours), including the right to make copies of, the books and records and supporting material of the Facility relating to the period prior to and including the Closing Date, at Seller's own expense, to, among other things, enable Seller to investigate and defend audits, claims, litigation or to file or defend cost reports.

c. **Purchaser's and New Operator's Access to Records.** Subsequent to the Closing Date, Seller shall grant Purchaser, New Operator and their respective agents and representatives reasonable access to (upon reasonable prior notice and during normal business hours), including the right to make copies of, books and records and supporting material of the Facility relating to the three (3) year period prior to the Closing Date, at Purchaser's or New Operator's own expense and to the extent reasonably necessary to enable Purchaser and New Operator to investigate and defend audits, claims, litigation or

to file or defend cost reports.

18. **CASUALTY/CONDEMNATION.**

a. **Notice.** Seller shall promptly notify Purchaser of any casualty damage it becomes aware of, or notice of condemnation that Seller receives prior to the Closing Date.

b. **Non-Substantial Damage from Casualty.** If: (A) any portion of the Property is damaged by fire or casualty after the Effective Date and is not repaired and restored substantially to its original condition prior to Closing, and (B) at the time of Closing the estimated cost of repairs is Two Hundred Fifty Thousand Dollars (\$250,000) or less, as determined by an independent adjuster engaged by Seller, and (C) for other reasons Purchaser has not otherwise elected to terminate pursuant to **Section 20(a)(ii)**, Purchaser shall be required to purchase the Property in accordance with the terms of this Agreement, and at Seller's option, (i) Purchaser shall receive a credit at Closing of the estimated cost of repairs determined by the aforesaid independent adjuster and Seller shall retain all insurance claims and proceeds with respect thereto; or (ii) at Closing, Seller shall: (1) assign to Purchaser, without recourse, all insurance claims and proceeds with respect thereto (less sums theretofore expended in connection with such fire or casualty, if any, by Seller, including for temporary repairs or barricades) (in which event Purchaser shall have the right to participate in the adjustment and settlement of any insurance claim relating to said damage), and (2) credit Purchaser at Closing with an amount equal to Seller's insurance deductible. Seller shall have no liability or obligation with respect to the quantity or condition of the Property to the extent affected by such fire or casualty and shall be released from any representation and warranty regarding same to the extent affected by such fire or casualty. Notwithstanding the foregoing, Purchaser shall not be obligated to purchase the Property as set forth in this section in the event that such casualty materially interferes with the ability to operate the Facility as a skilled nursing facility with the Licensed Beds, in the sole discretion of Purchaser.

c. **Substantial Damage from Casualty.** If, at the time of Closing, the estimated cost of repairing such damage is more than Two Hundred Fifty Thousand Dollars (\$250,000) with respect to the Facility, as determined by such independent adjuster, Purchaser may, in its sole discretion: (i) terminate this Agreement by notice to Seller within ten (10) days after receipt of notice of such casualty (which shall be deemed a termination pursuant to **Section 20(a)(ii)** of this Agreement); or (ii) proceed to Closing in accordance with **Section 18(b)**.

d. **Condemnation.** If, prior to Closing, a "material" portion of the Property is taken by eminent domain, then Purchaser shall have the right, within fifteen (15) days after receipt of notice of such material taking, to terminate this Agreement (which shall be deemed a termination pursuant to **Section 20(a)(i)** of this Agreement). If Purchaser elects to proceed and to consummate the purchase despite said material taking (such election being deemed to have been made unless Purchaser notifies Seller in writing to the contrary within fifteen (15) days after notice from Seller to Purchaser of any taking), or if there is

less than a material taking prior to Closing, there shall be no reduction in or abatement of the Purchase Price, Purchaser shall be required to purchase the Property in accordance with the terms of this Agreement and Seller shall assign to Purchaser, without recourse, all of Seller's right, title and interest in and to any award made or to be made in the eminent domain proceeding (in which event Purchaser shall have the right to participate in the adjustment and settlement of such eminent domain proceeding). For the purpose of this section, the term "material" shall mean any taking of in excess of ten percent (15%) of the square footage of the Facility or twenty percent (20%) of the Real Property associated with the Facility that would: (i) adversely affect Purchaser's or New Operator's ability after said taking to operate the Facility in compliance with the IDPH License; or (ii) eliminate after said taking a means of egress and ingress to and from the Facility to a public right of way; or (iii) cause the use of the Facility after said taking to no longer be in compliance with all applicable zoning and building rules, regulations and ordinances.

19. **INDEMNIFICATION.**

a. **Indemnification by Purchaser.** Subject to the first dollar Basket and Ceiling described below, Purchaser agrees to indemnify and hold harmless Seller from and against all liabilities, claims, losses, demands and causes of action of any nature whatsoever (collectively, "*Losses*") arising out of: (i) any breach by Purchaser of its obligations, representations, warranties or covenants hereunder, (ii) injury to or death of persons or loss of or damage to property occurring on the Property or at the Facility on or after the Closing Date, (iii) any Third Party Claims (as hereinafter defined) or (iv) any liability which may arise from ownership, use or condition of the Property after the Closing Date to the extent it relates to the ownership or use of the Property on or after the Closing Date. Purchaser further agrees to pay any reasonable attorneys' fees and expenses incident to the defense by Seller of any such Losses (as hereinafter defined).

b. **Indemnification by Seller.** Subject to the first dollar Basket and Ceiling described below, Seller hereby agrees to indemnify and hold harmless Purchaser from and against all Losses arising out of: (i) any breach by Seller of its obligations, representations, warranties or covenants hereunder, (ii) injury to or death of persons or loss of or damage to property occurring on or at the Facility prior to the Closing Date or in any manner growing out of or connected with the use or occupancy of the Facility or the condition thereof, or the use of any adjoining sidewalks, streets or ways on or prior to the Closing Date, (iii) any Third Party Claims, or (iv) any liability which may arise from ownership, use or condition of the Property before the Closing Date to the extent it relates to the ownership or use of the Property before the Closing Date. Seller further agrees to pay any reasonable attorneys' fees and expenses incident to the defense by Purchaser of any such Losses.

c. **Indemnification Claims.** In the event that any liability, claim (including any Third Party Claim), demand or cause of action which is indemnified against by or under any term, provision, section or paragraph of this Agreement ("*Indemnitee's Claim*") is made against or received by any indemnified party (hereinafter "*Indemnitee*") hereunder, said Indemnitee shall notify the indemnifying party (hereinafter "*Indemnitor*") in writing

within twenty one (21) calendar days of Indemnitee's receipt of written notice of said Indemnitee's Claim; provided, however, that Indemnitee's failure to timely notify Indemnitor of Indemnitee's receipt of an Indemnitee's Claim shall not impair, void, vitiate or invalidate Indemnitor's indemnity hereunder nor release Indemnitor from the same, which duty, obligation and indemnity shall remain valid, binding, enforceable and in full force and effect so long as Indemnitee's delay in notifying Indemnitor does not, solely by itself, directly and materially prejudice Indemnitor's right or ability to defend the Indemnified Claim. Upon its receipt of any or all Indemnitee's Claim(s), Indemnitor shall diligently and vigorously defend, compromise or settle said Indemnitee's Claim at Indemnitor's sole and exclusive cost and expense and shall promptly provide Indemnitee evidence thereof within twenty one (21) calendar days of the final, unappealable resolution of said Indemnitee's Claim, provided such claim is for litigation only. In the event of an Indemnitee's Claim unrelated to litigation (e.g., Medicaid takeback), Indemnitor shall be responsible for any damages, costs or expenses to Indemnitee, including, but not limited to, attorneys' fees incurred as a result of the indemnification event to be paid to Indemnitee within thirty (30) days of written demand for the same. Upon the receipt of the written request of Indemnitee, Indemnitor shall within fourteen (14) calendar days provide Indemnitee a true, correct, accurate and complete written status report regarding the then-current status of said Indemnitee's Claim. Indemnitee may not settle or compromise an Indemnitee's Claim without Indemnitor's prior written consent. Failure to obtain such consent shall be deemed forfeiture by Indemnitee of its indemnification rights hereunder.

d. **Third Party Claim.** As used herein, "*Third Party Claim*" shall mean any claim, suit, or proceeding that is instituted against an Indemnitee by a person or entity other than an Indemnitor and which, if prosecuted successfully, would result in a Loss for which such Indemnitee is entitled to indemnification hereunder.

e. **Basket.** Neither Seller nor Purchaser shall have the right to assert any Indemnitee's Claim unless the claim, in the aggregate with any other claims proposed to be asserted by such Indemnitee, exceeds Fifty Thousand Dollars (\$50,000) (the "*Basket*"), provided, however, that if and when such threshold is reached and thereafter, any and all claims shall be payable from the first dollar of such Losses, provided, however, the Basket shall not apply to indemnification for any Losses related to Recapture claims.

f. **Ceiling** The maximum amount of liability that any party shall have to the other in all circumstances for any and all Losses or any other indemnification obligation related to this Agreement shall not exceed in the aggregate, an amount equal One Million Dollars (the "*Ceiling*").

g. **Escrow Holdback** On the Closing Date, Seller shall deposit in an interest-bearing escrow account with the Title Company the total sum equal to three percent (3%) of the Purchase Price (the "*Escrow Holdback*"). The Escrow Holdback shall be held by the Title Company and distributed in accordance with the terms of an escrow holdback agreement to be entered into by and among the Seller, Purchaser and New Operator (the "*Escrow Holdback Agreement*"). The purpose of the Escrow Holdback shall be to provide

Purchaser and New Operator with readily available funds for satisfaction of all payment of any amounts due with respect to any of the Seller's indemnification obligations pursuant to this Agreement and to New Operator under the OTA, in all instances made before the three (3) year anniversary of the Closing Date (the "*Escrow Release Date*"). On the one (1) year anniversary of the Closing Date, a portion of the Escrow Holdback shall be released to Seller such that the balance of the funds remaining in the Escrow Holdback shall be equal to two percent (2%) of the Purchase Price. On the two (2) year anniversary of the Closing Date, a portion of the Escrow Holdback shall be released to Seller such that the balance of the funds remaining in the Escrow Holdback shall be equal to One Percent (1%) of the Purchase Price. On the Escrow Release Date, the Title Company shall deliver to Seller all amounts remaining in the Escrow Holdback, provided that on such date there does not exist a pending or unresolved Escrow Claim, in which event the amount of such pending or unresolved claim shall remain in the Escrow Holdback until paid to either Seller, Purchaser or New Operator in connection with the resolution of such claim.

h. Indemnification Survival

i. The representations and warranties in **Section 13** and **Section 14** and the parties' obligations under this **Section 19** shall survive the Closing and remain effective for a period of for a period of twelve (12) months from the Closing Date, except for those related to the representations and warranties specifically surviving the Closing until barred by applicable law (collectively, the "*Survival Period*").

ii. Notwithstanding any provision herein to the contrary, no claim may be asserted from the breach of any representation, warranty, covenant, or agreement contained herein after the expiration of the Survival Period as set forth in **Section 19(c)(i)**. Notwithstanding any limitation set forth in **Section 19(c)**, neither party shall be precluded from continuing to seek a remedy for claims initiated prior to the expiration of the Survival Period or other deadline for the making of claims or for filing claims or counterclaims that arise out of claims made prior to the expiration of the Survival Period or other deadline for the making of claims.

20. TERMINATION.

a. **Termination.** This Agreement may be terminated at any time prior to the Closing under the following circumstances:

i. the mutual written consent of all parties hereto;

ii. by Purchaser, if Seller is unable to meet a condition precedent prior to the Closing Date (as the same may be extended) as required by the terms of this Agreement or is in breach of its obligation to consummate the transaction contemplated by this Agreement pursuant to the terms hereof, and such breach has not been (A) waived in writing by Purchaser or (B) cured by Seller within ten (10) days after notice to Seller of such breach; provided, however, that in lieu of the termination rights offered under this clause (b), Purchaser may instead seek specific

performance of this transaction; or

iii. by Seller, if Purchaser is unable to meet a condition precedent prior to the Closing Date (as the same may be extended) as required by the terms of this Agreement, including, specifically Seller's receipt of Board approval per Section 16(e), or if Purchaser is in breach of its obligation to consummate the transaction contemplated by this Agreement pursuant to the terms hereof, and such breach has not been (A) waived in writing by Seller or (B) cured by Purchaser within ten (10) days after notice to Purchaser of such breach.

b. Effect of Termination .

i. In the event this Agreement is terminated in accordance with the terms of Section 20(a), the provisions of this Agreement shall immediately become void and of no further force and effect, except with respect to this Section 20 and as otherwise specifically provided for in this Agreement.

ii. In the event that this Agreement is terminated in accordance with the terms of Section 20(a)(i) (including provisions deemed a termination of this Agreement by virtue of that Section), the entire Escrow Deposit shall be delivered to Purchaser and each party will thereafter be relieved of any obligation to the other party with respect to this Agreement, except as otherwise specifically provided for in this Agreement.

iii. In the event that this Agreement is terminated in accordance with the terms of Section 20(a)(ii) (or provisions deemed a termination of this Agreement by virtue of that Section), the entire Escrow Deposit shall be returned to Purchaser and Purchaser shall be entitled to reimbursement from Seller of all of Purchaser's out of pocket costs and expenses related to the potential acquisition of the Facility, including, without limitation, legal fees and fees paid to third parties in connection with Purchaser's Due Diligence Review.

iv. In the event that this Agreement is terminated in accordance with the terms of Section 20(a)(iii) (or provisions deemed a termination of this Agreement by virtue of that Section), the entire Escrow Deposit shall be delivered to Seller as Seller's sole and exclusive remedy.

21. LIABILITIES.

a. **Seller's Liabilities.** Except as otherwise set forth in this Agreement, Purchaser does not assume, and shall not be liable for, any debts, liabilities or obligations of Seller including, but not limited to, any (i) liabilities or obligations of Seller to its creditors, (ii) liabilities or obligations of Seller with respect to any acts, events or transactions occurring after the Closing Date, (iii) liabilities or obligations of Seller for any federal, state, county or local taxes applicable to or assessed against Seller or the assets or business of Seller, or applicable to, incurred by and accrued or assessed against the Facility for

periods on or prior to the Closing Date, (iv) contingent liabilities or obligations of Seller, whether known or unknown by Seller, Purchaser or New Operator, (v) any liabilities with respect to the Facility prior to the Closing Date or (vi) any other liabilities resulting from any act or failure to act by Seller on or prior to the Closing Date.

b. **Purchaser's Liabilities.** Except as otherwise set forth in this Agreement, Seller does not assume, and shall not be liable for, any debts, liabilities or obligations of Purchaser including, but not limited to, any (i) liabilities or obligations of Purchaser to its creditors, (ii) liabilities or obligations of Purchaser with respect to any acts, events or transactions occurring on or after the Closing Date, (iii) liabilities or obligations of Purchaser for any federal, state, county or local taxes applicable to or assessed against Purchaser or the assets or business of Purchaser, or applicable to, incurred by and accrued or assessed against the Facility on or after the Closing Date, (iv) contingent liabilities or obligations of Purchaser, whether known or unknown by Purchaser, New Operator or Seller, or (v) any other liabilities resulting from any act or failure to act by Purchaser after the Closing Date.

c. **Anti-Sandbagging.** Notwithstanding anything herein to the contrary, neither party shall have liability for any inaccuracy or breach of any representation or warranty if, before the closing, the other party had knowledge of said inaccuracy or breach or the underlying facts giving rise to such inaccuracy or breach.

22. POST-CLOSING COVENANTS.

a. **Use Covenants.** Purchaser hereby covenants that beginning on the Closing Date and continuing through December 31, 2027:

i. **Property Use.** The Facility shall be operated as a skilled nursing facility with at least 220 licensed beds. The Real Property shall not be used for any purpose except as a skilled nursing facility, geriatric center, long-term care facility or assisted living facility, provided it complies with Section 22(a)(iii) in all instances.

ii. **Residents.** All persons who are residents of the Facility on the Closing Date shall continue to be residents after the Closing Date and Purchaser shall ensure no existing resident shall be transferred by New Operator to another facility (A) without the written consent of such resident; or (B) for medical necessity as determined by a medical professional in accordance with standard industry practice.

iii. **Medicaid Beds.** At least fifty percent (50%) of the Licensed Beds shall be reserved for Medicaid-eligible persons to the extent allowed by law and New Operator and its successors and assigns will use their absolute best efforts to accept all such Medicaid eligible residents.

iv. **Priority to County Residents.** Purchaser's tenant shall provide priority for admissions to residents of Champaign County, Illinois where there are insufficient beds for both individuals within Champaign County, Illinois and outside of

Champaign County, Illinois.

b. **Employees.** Purchaser shall ensure that New Operator: (i) re-hires all of the current employees at the Facility on the Closing Date who pass a background check, (ii) does not terminate 10% or more of the current employees within the first 60 days following the Closing Date and (iii) does not terminate 20% or more of the current employees during the first 6 months after the Closing Date. Nothing in this paragraph, however, shall create any right in favor of any person not a party hereto, including the exiting employees, or constitute an employment agreement or condition of employment for any employee of Seller.

c. **Liquidated Damages.** The terms and conditions of this **Section 22** (and of **Section 19 of the OTA**) are fundamental terms of the sale transaction upon which Seller relied when entering into this Agreement. If there occurs a breach of **Section 22** by Purchaser or of **Section 19 of the OTA** by Purchaser, New Operator or their successors or assigns, Purchaser shall pay to Seller the amount of One Million Dollars (\$1,000,000), as liquidated damages ("*Liquidated Damages*") within five (5) business days of request. At Seller's sole discretion, it may require prior to Closing, delivery of a personal or upstream guaranty of Purchaser's obligations to pay the Liquidated Damages from an individual or entity and in form and substance all acceptable to Seller. The parties intend that the Liquidated Damages constitute compensation and not a penalty. The parties acknowledge and agree that Seller's harm caused by a breach of **Section 22** would be very difficult to accurately estimate and that the Liquidated Damages are a reasonable estimate of the anticipated or actual harm that might arise from such a breach.

d. **Successors and Assigns.** The use restrictions set forth in this **Section 22** shall apply to Purchaser's successors and assigns, although Purchaser shall in no event be relieved of and may, at Seller's sole discretion, be included on the Deed.

e. **Survival.** This **Section 22** shall survive the termination of this Agreement until January 1, 2028. Although, as of the Effective Date, Purchaser does not intend to sell or transfer ownership of the Facility, Purchaser may transfer ownership of the Facility at any time (in accordance with applicable laws) provided that Purchaser provides evidence satisfactory to Seller that the party to whom Purchaser proposes to transfer the Facility has agreed to comply with the terms of **Section 22(a)** and **Section 22(b)** and assume Purchaser's liquidated damages obligations.

23. **PUBLICITY.** Neither Purchaser nor Seller shall, and each shall cause their respective affiliates, representatives and agents not to, issue or cause the publication of any press release, public or private announcement with respect to the transactions contemplated by this Agreement (including, an announcement or communication to any employee of the Facility) without the express prior written approval of the other party, except as necessary in connection with New Operator's efforts to obtain the IDPH License.

24. **NOTICES.** Any notice, request or other communication to be given by any party hereunder shall be in writing and shall be deemed adequately given only if (i) sent by personal delivery, (ii) by Federal Express or other overnight messenger service, (iii) first class registered or certified mail, postage prepaid, return receipt requested or (iv) by electronic mail, and addressed to the party for whom such notices are intended, addressed in each case as follows:

To Seller: Champaign County Board
 c/o C. Pius Weibel, Chair
 1776 East Washington Street
 Urbana, Illinois 61082
 Email: cweibel@co.champaign.il.us

 Champaign County Board
 c/o Rick Snider, County Administrator
 1776 East Washington Street
 Urbana, Illinois 61082
 Email: rsnider@co.champaign.il.us

with a copy to: Sher, LLP
 5750 Old Orchard Road, Suite 420
 Skokie, Illinois 60077
 Attention: Stephen N. Sher, Esq.
 Email: steve@sherlegal.com

To Purchaser: []
 []
 []
 Attention: []
 Email: []

with a copy to: []
 []
 []
 Attention: []
 Email: []

Each such notice and other communication under this Agreement shall be effective or deemed delivered or furnished (a) if given by mail, on the third business day after such communication is deposited in the mail; (b) if given by electronic mail, when such communication is transmitted to the email address specified above if sent before 5:00 p.m. (Central), otherwise on the following business day; and (c) if given by hand delivery, when left at the address specified above, and (d) if sent by recognized overnight carrier, then on the next business day immediately following the day sent. The above addresses may be changed by notice of such change, delivered as provided herein, to the last address designated.

25. **BROKERS** Seller hereby represents, covenants, and warrants to Purchaser that, except for Marcus & Millichap, it has employed no broker with respect to the transactions contemplated under this Agreement, and Seller hereby indemnifies Purchaser with respect to any claims of brokers claiming to represent Seller with respect to the transactions contemplated under this Agreement. Purchaser hereby represents, covenants, and warrants to Seller that it has employed no broker with respect to the transactions contemplated under this Agreement, and Purchaser hereby indemnifies Seller with respect to any claims of brokers claiming to represent Purchaser with respect to the transactions contemplated under this Agreement.

26. **CONSENT.** Whenever the consent of a party is required hereunder, such consent shall not be unreasonably withheld, delayed or conditioned, unless this Agreement provides that such consent is given at the sole discretion of a party or as otherwise expressly provided for herein to the contrary.

27. **ASSIGNMENT.** Seller may not assign its rights hereunder without the prior written consent of Purchaser, and Purchaser may not assign its rights hereunder without the prior written consent of Seller.

28. **CONSENT.** Whenever the consent of a party is required hereunder, such consent shall not be unreasonably withheld, delayed or conditioned, unless this Agreement provides that such consent is given at the sole discretion of a party or as otherwise expressly provided for herein to the contrary.

29. **EXHIBITS AND SCHEDULES.** Each Recital, Exhibit and Schedule shall be considered incorporated into this Agreement.

30. **TIME IS OF THE ESSENCE.** Time shall be of the essence in this Agreement.

31. **AMENDMENTS; SOLE AGREEMENT.** This Agreement may not be amended or modified in any respect whatsoever except by an instrument in writing signed by the parties hereto. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter of this Agreement, and the parties acknowledge and understand that, upon completion, all such Schedules and Exhibits shall be deemed to be made a part collectively hereof.

32. **SUCCESSORS.** Subject to the limitations on assignment set forth above, all the terms of this Agreement shall be binding upon and inure to the benefit of and be enforceable by and against the heirs, successors and assigns of the parties hereto.

33. **CAPTIONS.** The captions and table of contents of this Agreement are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

34. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois without regard to conflict of laws' provisions. Each party to this Agreement hereby irrevocably agrees that any legal action or proceeding arising out of or relating to this Agreement or any agreements or transactions contemplated hereby shall be brought exclusively in the state courts located in Champaign County, Illinois, or the federal courts located in the Central District of Illinois, and hereby expressly submits to the personal jurisdiction and venue of such courts for the purposes thereof and expressly waives any claim of improper venue and any claim that such courts are an inconvenient forum. Each party hereby irrevocably consents to the service of process of any of the aforementioned courts in any such suit, action or proceeding by the mailing of copies thereof by certified mail, postage prepaid, to the address set forth in the notice section hereof, such service to become effective three (3) business days after such mailing.

35. **SEVERABILITY.** Should any one or more of the provisions of this Agreement 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.

36. **USAGE.** 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. "Any" or "any" when used in this Agreement shall mean "any and all". The word "including" when used in this Agreement, means "including, without limitation".

37. **HOLIDAYS.** Whenever under the terms and provisions of this Agreement the time for performance falls upon a Saturday, Sunday or nationally recognized legal holiday, such time for performance shall be extended to the next business day.

38. **COUNTERPARTS; .PDF SIGNATURES.** This Agreement may be executed in any number of counterparts, each of which shall be an original; but such counterparts shall together constitute but one and the same instrument. Signatures exchanged by email in .pdf format shall be treated as original signatures of the parties for the purposes hereto.

39. **NO JOINT VENTURE.** Nothing contained herein shall be construed as forming a joint venture or partnership between the parties hereto with respect to the subject matter hereof. The parties hereto do not intend that any third party shall have any rights under this Agreement.

40. **NO STRICT CONSTRUCTION.** The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any of the parties hereto.

41. **ATTORNEYS FEES.** If any legal proceeding relating to this Agreement or the enforcement of any provision of this Agreement is brought against any party hereto, the prevailing party shall be entitled to recover reasonable attorneys' fees, costs and disbursements (in addition to any other relief to which the prevailing party may be entitled).

42. WAIVER OF JURY TRIAL EACH PARTY HERETO WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS AGREEMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED IN CONNECTION HERewith OR HEREAFTER AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

[Signature Page Follows]

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

SELLER:

THE COUNTY OF CHAMPAIGN,
ILLINOIS, a public body corporate and
politic of the State of Illinois

Attest:

By: _____
C. Pius Weibel, County Board Chair

By: _____
Gordy Hulten, County Clerk

PURCHASER:

[PURCHASER, LLC], an [Illinois
limited liability company]

By: _____
Name: _____
Its: _____

OPERATIONS TRANSFER AGREEMENT

by and among

THE COUNTY OF CHAMPAIGN, ILLINOIS,
as Seller,

SAK MANAGEMENT SERVICES, LLC,
as Manager,

and

[NEW OPERATOR, LLC],
as New Operator

_____, 2018

**Champaign County Nursing Home
500 South Art Bartell Road
Urbana, Illinois 61802**

OPERATIONS TRANSFER AGREEMENT

This **OPERATIONS TRANSFER AGREEMENT** (this "**Agreement**") is entered into as of the ___ day of _____, 2018 by and among The County of Champaign, Illinois, a public body corporate and politic of the State of Illinois ("**Seller**"), SAK Management Services, LLC, an Illinois limited liability company ("**Manager**"), and [New Operator, LLC], an [Illinois limited liability company] ("**New Operator**").

RECITALS

A. Seller is the owner and licensed operator of that certain 220 bed skilled nursing facility, which is licensed for 243 skilled nursing beds, commonly known as Champaign County Nursing Home, 500 South Art Bartell Road, Champaign, Illinois 61802 (the "**Facility**").

B. Seller and Manager have entered into a Services Agreement dated June 22, 2017 ("**Management Agreement**").

C. Seller has or will be entering into that certain Asset Purchase Agreement (the "**Purchase Agreement**") with [Purchaser, LLC], an [Illinois limited liability company] ("**Purchaser**"), pursuant to which the Facility and its real and personal property shall be sold to Purchaser.

D. Concurrent with the closing of the transactions contemplated under the Purchase Agreement and this Agreement, on the Commencement Date, New Operator shall be the new licensed operator of the Facility.

E. In order to ensure a smooth transition of the operations of the Facility from Manager to New Operator, the parties desire to enter into this Agreement.

AGREEMENT

NOW, THEREFORE, for the mutual promises, representations, warranties and covenants contained herein and in the Purchase Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged by the parties hereto, the parties hereto agree as follows:

1. **COMMENCEMENT DATE.** Although this Agreement shall be effective as of the date first written above, the transfer of operations contemplated by this Agreement shall commence and be effective on and as of the Closing Date, as defined in the Purchase Agreement (the "**Commencement Date**"). Manager and New Operator agree to cooperate with each other to affect an orderly transfer of the operations of the Facility as of the Commencement Date.

2. **CONDITIONS PRECEDENT.**

a. New Operator's obligation to consummate the transactions contemplated in this Agreement shall be subject to the following conditions precedent on and as of the Commencement Date to the reasonable satisfaction of New Operator or the written waiver thereof by New Operator:

- i. Seller and Manager shall have duly and timely materially performed and fulfilled all of their material duties, obligations, promises, covenants and agreements hereunder, shall not be in breach of any term of this Agreement and the representations and warranties given by Seller to New Operator hereunder shall be materially true and correct, as of such date.
- ii. Delivery by Seller of a fully executed Bill of Sale for the Supplies (as hereinafter defined) of the Facility.
- iii. Delivery by Seller of a fully executed General Assignment of the Intangible Property (as hereinafter defined) of the Facility.
- iv. Delivery by Seller of a date-down certificate certifying that all of the representations and warranties made and given by Seller in this Agreement are true and correct as of the Commencement Date.
- v. Consummation of the transactions contemplated under the Purchase Agreement.
- vi. New Operator shall have obtained all necessary government approvals that are required to operate the Facility as a skilled nursing facility under Illinois law (the "License"), which may be evidenced by a comfort letter from the Illinois Department of Public Health ("IDPH") approving the transfer of ownership of the Facility contingent upon submission to IDPH of a recorded deed.
- vii. Seller or Manager shall notify the Illinois Department of Revenue (the "IDR") and shall request tax clearance certificates from the IDR. No later than three (3) business days prior to the Commencement Date, Seller or Manager shall (A) obtain either a full release of claims from the IDR with respect to all debts owed by Seller or a statement setting forth all IDR debts owed by Seller and (B) provide New Operator with a statement setting forth the amount owed by Seller with respect to all Illinois and federal payroll, assessment and other taxes and all license fees, including supporting materials.
- viii. No action or proceeding shall have been instituted, nor any judgment, order or decree entered by any court or governmental body or authority preventing the consummation of the transaction contemplated by this Agreement or the Purchase Agreement, or which could materially and adversely affect New Operator's ability to operate the Facility as a skilled nursing facility with the same number and type of beds and units as are operating at the Facility on the date hereof.
- ix. Since the end of the Inspection Period (as defined in the Purchase Agreement), there shall have been no material adverse change in the condition of the business operations of the Facility. For purposes of this Agreement "material adverse change" shall mean any event, occurrence or change that is materially adverse to the condition of the business operations of the Facility, when taken as a whole, but shall exclude any adverse effect resulting from, arising out of or relation

to (A) war or terrorism, (B) acts of God; (C) changes affecting the Illinois senior housing industry generally, (D) changes in business or economic conditions in the United States generally, (E) actions made pursuant to the terms of this Agreement, the Purchase Agreement or with New Operator's express written consent; or (F) any announcement or disclosure of the pendency of the transactions set forth herein or in the Purchase Agreement.

x. The Facility is not in an open survey cycle for any IDPH survey violations with a scope or severity of "F" or greater (such that deficiencies were found in a survey, but the Facility has not yet determined to be in substantial compliance with all survey requirements).

b. Seller's and Manager's obligations to consummate the transaction contemplated in this Agreement shall be subject to the following conditions precedent on and as of the Commencement Date to the reasonable satisfaction of Seller or the written waiver thereof:

i. New Operator shall have duly and timely materially performed and fulfilled all of its material duties, obligations, promises, covenants and agreements hereunder, shall not be in breach of any term of this Agreement and the representations and warranties given by New Operator to Seller hereunder shall be materially true and correct as of such date.

ii. Delivery by New Operator of a date-down certificate certifying that all of the representations and warranties made and given by New Operator in this Agreement are true and correct as of the Commencement Date.

iii. Consummation of the transactions contemplated under the Purchase Agreement.

iv. Delivery by New Operator of Certificates of Good Standing from the State of Illinois Secretary of State, certified copies of the Articles of Organization of New Operator and any amendments thereto and a certified copy of the resolutions of New Operator, authorizing the execution, delivery and consummation of this Agreement and the execution, delivery and consummation of all other agreements and documents executed in connection herewith, including all instruments required hereunder, sufficient in form and content to meet the requirements of Illinois law relevant to such transactions and certified by an officer or manager of New Operator as adopted and in full force and effect and unamended as of the Commencement Date.

v. New Operator shall have obtained the License required to operate the Facility as a skilled nursing facility under Illinois law or the comfort letter described in Section 2(a)(vi).

3. CONVEYANCE OF PERSONAL PROPERTY, SUPPLIES AND INTANGIBLE PROPERTY.

a. The property being transferred by Seller to New Operator hereunder (the **"Property"**), which specifically excludes the Excluded Property (as hereinafter defined), shall consist of all of Seller's right, title and interest in and to the following:

i. All supplies used in the operation of the Facility and not otherwise transferred to Purchaser pursuant to the terms of the Purchase Agreement, but specifically excluding all personal property owned by residents of the Facility and all Personal Property and FF&E (as each are defined in the Purchase Agreement) and transferred to Purchaser thereunder) that are located at the Facility and utilized in connection with the operating or managing of the Facility (collectively, the **"Supplies"**). A list of any and all vehicles used in connection with the operation of the Facility is attached hereto and made a part hereof as **Schedule 3(a)(i)**, which shall be transferred from Seller to New Operator on the Commencement Date.

ii. To the extent assignable, the rights of Seller in the Assumed Contracts (as hereinafter defined).

iii. To the extent assignable by Seller, all licenses, permits (including any special use permits from any municipality or county where the Facility is located), certificates of need, accreditations, Medicaid and Medicare provider agreements and certificates of occupancy issued by any federal, state, municipal or local governmental authority relating to the use, maintenance, management or operation of the Facility, running to or in favor of Seller (**"Assumed Licenses"**).

iv. All intangible property used in connection with the operation of the Facility, including: (A) all telephone numbers presently in use at the Facility, all telephone listings and any website data; (B) all books, files and records of the for current residents of the Facility in its possession (**"Resident Records"**), (C) all books, files and records of current employees of the Facility in its possession (the **"Employee Records"**); (D) any third party warranties associated with the Facility or the Property, to the extent assignable; (E) the rights of Seller under any provider agreements with any private third-party payor programs (excluding the right to any payments, reimbursement and/or recoupment accrued before the Commencement Date), but only to the extent assignable by Seller; (F) all policy and procedure manuals regarding the Facility; (G) the business and the goodwill associated with the business and the reputation of the Facility (collectively, along with the Assumed Contracts, Assumed Licenses, Warranties and Resident Agreements (each as defined herein), the **"Intangible Property"**).

b. On the Commencement Date, Seller shall deliver to New Operator, at no cost to New Operator, a Bill of Sale for the Supplies of the Facility, which shall convey to New Operator good and marketable right, title and interest in and to the Supplies, free of all liens, encumbrances and security interests of any kind (the **"Bill of Sale"**). New Operator agrees that the presence of the Supplies at the Facility on the Commencement Date shall constitute delivery thereof.

c. On the Commencement Date, Seller shall deliver to New Operator, at no cost to

New Operator, a General Assignment for the Intangible Property of the Facility, which shall convey to such New Operator good and marketable right, title and interest in and to the Intangible Property free of all liens, encumbrances and security interests of any kind (the "General Assignment").

4. **EXCLUDED PROPERTY.** Notwithstanding the foregoing, the following shall be excluded from the transfer by Seller to New Operator hereunder (the "Excluded Property"): (a) any of Seller's accounts receivable, accounts payable or liabilities associated with the operation of the Facility prior to the Commencement Date; (b) cash and cash equivalents and third party payor settlements; (c) Seller's rights under this Agreement and the agreements to be executed in connection herewith; (d) Seller's organizational documents; (e) personal property owned by residents of the Facility and not by Seller; (f) the Rejected Contracts (as hereinafter defined) and any other contract, agreement, commitment, lease or other arrangement to which Seller is a party or that affects the Facility and that is not assumed by New Operator; (g) any property or confidential or proprietary information of Seller or any of its affiliates that is not primarily used or held in connection with the Facility, (h) all software that cannot be legally assigned and other nontransferable licenses; and (i) personal property owned by third party vendors and leased to Seller or any entity providing services at the Facility for use in connection with the operations of the Facility.

5. **TRANSFER OF RESIDENT TRUST FUNDS.**

a. On or prior to the Commencement Date, Manager shall provide to New Operator a true, correct and complete accounting (properly reconciled so that there are no negative balances), certified as being true, correct and complete by Manager, of any resident trust funds and an inventory of all residents' property, if any, held by Manager for residents at the Facility (collectively, the "Resident Trust Funds").

b. Manager hereby agrees to transfer to New Operator the Resident Trust Funds on the Commencement Date. Manager shall comply with all governmental statutes, rules and regulations with respect to the transfer of such Resident Trust Funds. New Operator hereby agrees that it will accept the Resident Trust Funds in trust for the residents, in accordance with applicable statutory and regulatory requirements, provided, however, such transfer shall not relieve Seller or Manager of their custodial and fiduciary responsibilities for such funds and property to the beneficiaries thereof for the period prior to the Commencement Date.

c. Seller will indemnify, defend and hold New Operator harmless from all liabilities, claims, demands and causes of action of any nature whatsoever, including reasonable attorneys' fees, in the event the amount of funds, if any, transferred to New Operator did not represent the full amount of the funds delivered to Seller as custodian or with respect to any Resident Trust Funds delivered, or claimed to have been delivered, to Manager, but which were not delivered by Manager to New Operator, or for claims which arise from actions or omissions of Seller or Manager with respect to the Resident Trust Funds prior to the Commencement Date.

d. New Operator will indemnify, defend and hold Seller harmless from all liabilities,

claims, demands and causes of action of any nature whatsoever, including reasonable attorneys' fees, in the event a Resident Trust Funds claim is made against Seller or Manager for funds that were transferred to New Operator pursuant to the terms hereof or relating to a Resident Trust Funds claim which arises from actions or omissions of New Operator after the Commencement Date.

6. **CHANGE OF OWNERSHIP APPROVAL.** At least thirty (30) days before the Commencement Date, New Operator shall execute and file any and all forms, notices, consents and applications as may be necessary to obtain the Licenses and, if allowed, the necessary government approvals that are required to receive reimbursement under Medicaid and the issuance of a Medicaid contract to New Operator upon transfer of ownership (collectively, the "**Government Approvals**") prior to the Commencement Date, including any application with IDPH for approval to become the licensee of the Facility, and any application with the Illinois Department of Healthcare and Family Services ("**HFS**") to become a Medicaid enrolled provider. Seller and Manager shall cooperate with New Operator as necessary in the preparation of these applications. Each party hereto agrees to use its best efforts to prepare and deliver to each other party all appropriate information and documents necessary for governmental applications for approval of a change of ownership for the Facility. New Operator's obligations under this Section 6 shall be at its sole cost and expense, Seller shall be reimbursed by New Operator for any out of pocket expenses reasonably incurred in connection with Seller's obligations under this Section 6.

7. **MEDICARE AND MEDICAID PROVIDER NUMBERS; FINAL COST REPORTS; RECAPTURE; TAXES AND FEES; CIVIL MONETARY PENALTIES.**

a. Effective on the Commencement Date, Seller shall sell, assign and convey to New Operator the Medicare provider number in use at the Facility (the "**Existing Medicare Provider Number**"), subject to the approval of the United States Department of Health and Human Services Centers for Medicare and Medicaid Services ("**CMS**"), by way of New Operator's submitted 855A Medicare Enrollment Application. Provided New Operator is using commercially reasonable efforts to become Medicare certified and subject in all cases to applicable law, New Operator shall be permitted to bill under the Existing Medicare Provider Number during the period commencing on the Commencement Date and ending on the date of the issuance of the Medicare tie-in-notice, but in no event longer than seven (7) months (the "**Transition Period**"). Seller shall execute any and all documents necessary to and will otherwise cooperate in connection with the assignment of the Existing Medicare Provider Number. Promptly after the Commencement Date, New Operator will promptly complete its Medicaid Application with HFS to obtain an assignment of the existing Medicaid provider number (the "**Medicaid Provider Number**"). Notwithstanding the foregoing, Seller shall retain any and all rights relating to the Existing Medicare Provider Number and Medicaid Provider Number for all services rendered prior to the Commencement Date.

b. Manager shall prepare and file with the appropriate Medicare and Medicaid agencies its final cost reports with respect to the operation of the Facility prior to the Commencement Date prior to the deadline for the filing under the applicable third party payor program.

c. New Operator shall notify Seller and Manager, and Seller and Manager shall notify New Operator, within five (5) business days after receipt of any notice of any claim by the United States Department of Health and Human Services, Office of Inspector General (“OIG”), CMS, IDPH, HFS or any other governmental or quasi-governmental agency or contractor for withholding, recoupment, repayment, recapture or recovery of or penalty related to any civil monetary penalty, any alleged overpayment by Medicaid or Medicare or related to any audit, including any alleged underpayment of any tax and/or assessment, if any (“Provider Tax”), or for bed taxes or assessments or any associated penalties (all of the foregoing, collectively, “Recapture”) for services rendered for the periods prior to the Commencement Date. In the event that the federal or state agencies making payments to New Operator for services performed at the Facility on or after the Commencement Date make any claim for Recapture for any period ending before the Commencement Date, then Seller shall save, indemnify, defend and hold New Operator harmless from and against any loss, damage, injury or expense incurred by New Operator arising from or related to any such claim. In connection with the foregoing indemnification obligation, in the event that OIG, CMS, IDPH, HFS or any other governmental or quasi-governmental authority, contractor or agency or other third party payor source withholds amounts from New Operator’s reimbursement checks as a result of any Recapture claim, Seller shall pay such amounts to New Operator within thirty (30) days following New Operator’s demand therefor. Seller and Manager shall be entitled to challenge any Recapture claim and if all or any part of such challenge is successful, New Operator will reimburse Seller for the amount received by New Operator from Seller related to the successfully challenged Recapture amount within thirty (30) days of receipt of credit or funds resulting from the successful challenge. Notwithstanding the foregoing, New Operator’s failure to timely notify or make demand on Seller with respect to any Recapture claim shall not void, vitiate or invalidate Seller’s obligations hereunder nor release Seller from any such duty or obligation. The provisions of this subsection shall survive the Commencement Date for a period of three (3) years.

d. Seller shall be and remain obligated for and shall pay on or before the date due thereof all fees, taxes or assessments, including all amounts of Illinois assessment tax or Illinois license fees/taxes accrued through the Commencement Date, including but not limited to the Illinois licensed bed tax, occupied bed tax and any other bed tax or Provider Tax or assessment, it being acknowledged that bed taxes are based on the assessment month and not the month of reporting. If Seller or Manager fail to make said payments on a timely basis and New Operator is required to make said payments or funds are withheld from New Operator’s reimbursement payments, Seller shall pay such amounts and any interest or late fees to New Operator within thirty (30) days following New Operator’s demand therefor. New Operator shall be and remain obligated for and shall pay on or before the date due thereof all fees, taxes and assessments accrued on and after the Commencement Date, including but not limited to any Provider Tax.

8. CONTRACTS.

a. New Operator acknowledges Seller or Manager has made available to it true, accurate and complete copies of all written equipment leases, service or maintenance contracts and agreements or other agreements affecting the Facility, including any

pharmacy, therapy, managed care, service and employment contracts (collectively, the "Contracts"). A schedule of Contracts for the Facility is attached hereto as **Schedule 8(a)**. After execution of this Agreement, Seller or Manager shall provide contact information for all third party managed care and insurance providers to allow New Operator to make arrangements for the execution of assignments of contracts or new contracts with such providers.

b. Notwithstanding anything contained herein to the contrary, on the Commencement Date, New Operator shall assume and be bound by the following union contracts (collectively, the "Union Contracts"): (i) the Agreement dated as of July 25, 2014 by and between Seller and the American Federation of State, County, and Municipal Employees (AFSCME) Council 31 AFL-CIO for its Affiliated Local 900 (The Nursing Home), as modified by the Memorandum of Understanding dated as of August 21, 2015; and (ii) the Agreement dated as of July 25, 2014 by and between Seller and the American Federation of State, County, and Municipal Employees (AFSCME) Council 31 AFL-CIO for its Affiliated Local 900 (The Nursing Home Nurses' Unit), as modified by the Memorandum of Understanding dated as of February 16, 2016.

c. Concurrent with the Commencement Date, this Agreement shall be deemed an assignment of the rights, title and interest by Seller, and an assumption of the duties and obligations by New Operator, of each of the Contracts set forth on **Schedule 8(b)**, (the Contracts assumed hereunder, collectively with the Resident Agreements and the Warranties (as each are hereinafter defined), are herein referred to as the "Assumed Contracts", and the Contracts not assumed by New Operator shall be referred to as the "Rejected Contracts"). If New Operator desires to assume any Contract that is not an Assumed Contract and delivers to Seller notice of the same within ten (10) business days of the date of this Agreement, then Schedule 8(b) shall be updated accordingly. Seller shall remain responsible for all liabilities and obligations (i) under the Rejected Contracts, (ii) under the Assumed Contracts to the extent such liabilities and obligations accrue or arise prior to the Commencement Date, and (iii) for services that were performed or rendered prior to the Commencement Date.

d. To the extent any third party consent is required in connection with the assignment and assumption of the Assumed Contracts, Seller and Manager hereby covenant to request such third party consent prior to the Commencement Date, New Operator acknowledging that the failure to obtain such consent shall not be a default hereunder.

e. On the Commencement Date, Seller shall transfer, convey and assign to New Operator pursuant to the General Assignment all existing agreements with residents and, to the extent assignable, any guarantors thereof ("Resident Agreements") and to the extent assignable, any warranties presently held by Seller with respect to the Facility, including any warranties on the heating, ventilation and air conditioning systems and the roof and foundation of the Facility (the "Warranties").

9. ASSUMPTION OF LIABILITIES.

a. Except as otherwise set forth in this Agreement, New Operator shall not assume or

be liable for any debts, liabilities or obligations of Seller, Manager or with respect to the Facility prior to the Commencement Date, including any (i) liabilities or obligations of Seller or Manager to their creditors, (ii) liabilities or obligations of Seller or Manager with respect to the Contracts for the period prior to the Commencement Date, (iii) liabilities or obligations of Seller or Manager with respect to Rejected Contracts, (iv) liabilities or obligations of Seller for any federal, state, county or local taxes applicable to or assessed against Manager, Seller, their assets or business, or the Property for periods prior to the Commencement Date, (v) Recapture, penalties, adjustments, overpayments, assessments or charges with respect to Seller's Medicaid Provider Number or Medicare Provider Number for the period prior to the Commencement Date; (vi) any legal actions related to services provided before the Commencement Date, including any matters relating to cost reports, collections, audits, hearings or legal action arising therefrom; or (viii) any other liabilities resulting from any act or failure to act by Seller prior to the Commencement Date.

b. Except as otherwise set forth in this Agreement, Seller does not assume and shall not be liable for any debts, liabilities or obligations of New Operator or with respect to the Facility on or after the Commencement Date, including any (i) liabilities or obligations of New Operator to its creditors, (ii) liabilities or obligations of New Operator with respect to Assumed Contracts for services rendered on or after the Commencement Date, (iii) liabilities or obligations of New Operator for any federal, state, county or local taxes applicable to or assessed against New Operator or the assets or business of New Operator, or applicable to, incurred by and accrued or assessed against the Facility after the Commencement Date, (iv) Recapture, penalties, adjustments, overpayments, assessments or charges with respect to Seller's or New Operator's Medicaid Provider Numbers or Medicare Provider Numbers for the period on or after the Commencement Date; (v) any legal actions related to services provided on or after the Commencement Date; or (vi) any other liabilities resulting from any act or failure to act by New Operator on or after the Commencement Date.

10. ACCOUNTS RECEIVABLE; ACCOUNTS PAYABLE.

a. Seller and Manager shall retain the right to collect all unpaid accounts receivable as of 11:59 p.m. on the day prior to the Commencement Date with respect to the Facility to the extent that such accounts receivable relate to services rendered prior to the Commencement Date.

b. To the extent Seller, Manager or New Operator receives any payments for accounts receivable and the accompanying remittance advice or other payer designation does not indicate the period to which a payment relates or if there is no accompanying remittance advice or other payer designation and if the parties do not otherwise agree as to how to apply such payment, then, the parties will be deemed to have agreed that: (i) any undesignated payments received during the first sixty (60) days after the Commencement Date shall be applied first to pre-Commencement Date balances for such resident until such balances have been reduced to zero, and any remaining portion shall be applied to post-Commencement Date balances, (ii) any undesignated payments received after the sixtieth (60th) day, but before the one hundred eightieth (180th) day after the Commencement Date,

shall be split one-half to each of pre-Commencement Date balances and one-half to post-Commencement Date balances; and (iii) any undesignated payments received after the one hundred eightieth (180th) day after the Commencement Date shall be applied first to post-Commencement Date balances for such resident until such balances as of the date of funds' application have been reduced to zero, with any remaining portion applied to pre-Commencement Date balances, to the extent such resident has a pre-Commencement Date balance.

c. If at any time after the Commencement Date, Seller or Manager shall receive any payment from any federal or state agency for services rendered at the Facility on or after the Commencement Date, then Seller or Manager, as applicable, shall remit such payments (or an amount equal to such payments) to New Operator within thirty (30) days from identifying such payments. If at any time after the Commencement Date New Operator shall receive any payment from any federal or state agency for services rendered at the Facility prior to the Commencement Date, then New Operator shall remit such payments (or an amount equal to such payments) to Seller within thirty (30) days from identifying such payments.

d. To the extent either party receives payments for accounts receivable of the other party, both parties acknowledge that the party receiving the payment belonging to the other party shall hold the payment in trust, that neither party shall have any right to offset with respect to such accounts receivable, and that the party erroneously receiving the payment shall have no right, title or interest whatsoever in the payment and shall remit the same to the other within thirty (30) days from identifying such payments.

e. To the extent accounts payable have been accrued for a period that includes time both before and after the Commencement Date, the parties hereto shall apportion the responsibility for payment of the same on a pro rata basis based on number of days. Prior to the Commencement Date, Seller, Manager and New Operator agree to cooperate with each other to setup new accounts for utilities in New Operator's name and to notify the merchants, suppliers or other third parties that New Operator bears responsibility for accounts payable of the Facility with respect to the post-Commencement Date services related to the Assumed Contracts and utilities.

11. EMPLOYEES.

a. Seller shall terminate the employment of all employees providing services at the Facility (the "Employees") as of the Commencement Date. Except for the Union Contracts, New Operator shall not be bound by or required to assume any employment contracts to which Seller may be a party. Neither Seller nor Manager shall make any material changes in the compensation or benefits of any employee at the Facility prior to the Commencement Date, except with respect to Employees covered by the Union Contracts, in accordance therewith, and except with respect to Employees not subject to the Union Contracts, raises on such dates and in such amounts as are consistent with past practices.

b. Subject in all instances to the terms and conditions set forth in Section 19(b), New

Operator shall rehire or offer to rehire all Employees as of the Commencement Date at wages and benefits sufficient to avoid the applicability of the Workers Adjustment and Retraining Notification Act, 29 U.S.C. § 2101.

c. Seller shall pay the salaries due to Employees for the period prior to the Commencement Date during its regular payroll cycle.

d. Concurrent with the payment of the salaries post-commencement date, Seller shall pay the Employees the amount of any of their vacation pay that will have accrued prior to the Commencement Date.

e. At least seven (7) days prior to the Commencement Date, Seller or Manager shall provide New Operator with a schedule of all the Employees' accrued sick pay plus the associated payroll taxes ("Accrued Sick Pay"), which schedule shall include the value of the Accrued Sick Pay for the fully vested Employees based on their then applicable wages. Seller may update the schedule at anytime prior to Commencement Date with the updated amounts then becoming the Accrued Sick Pay amounts. The parties acknowledge that certain Accrued Sick Pay will not be due and owing by New Operator to the Employees. On the Commencement Date, Seller shall pay to New Operator an amount equal to 70% of the Accrued Sick Pay, as if there was no termination set forth in **Section 11(a)**. New Operator shall assume responsibility for the payment of all of the Accrued Sick Pay in accordance with Union Contracts, but shall not pay the Employees any Accrued Sick Pay outside the ordinary course of business. The Accrued Sick Pay shall not be subject to adjustments as set forth in **Section 14(14.c)**. The provisions of this **Section 11(e)** shall survive Commencement Date.

12. **RECORDS.** Seller and Manager shall leave at the Facility either the originals or full and complete copies of all Resident Records and Employee Records.

13. **ACCESS.**

a. Prior to the Commencement Date, with Manager's written consent after receipt of written notice from New Operator delivered two business days prior, Manager shall permit New Operator reasonable access to the Facility and any information reasonably requested in connection with New Operator's due diligence, provided that such access rights are not disruptive to the operations at the Facility and are at all times in compliance with all state and federal laws governing the rights of the residents of the Facility.

b. After the Commencement Date, New Operator shall allow Seller, Manager and their agents and representatives reasonable access to (upon reasonable prior notice and during normal business hours) and to make copies of the books and records and supporting material of the Facility relating to the period prior to the Commencement Date, at Seller's or Manager's expense, as applicable, to allow Seller or Manager to investigate and defend malpractice, employee or other claims, and to file or defend cost reports and tax returns.

14. **PRORATIONS.**

a. On and as of the Commencement Date, Seller and New Operator shall prorate revenues and expenses pertaining to the Facility, utility charges for the billing period in which the Commencement Date occurs, Assumed Contracts, Employee salaries, prepaid income and expenses, Illinois bed taxes or assessments, personal property taxes, provider taxes and other related items of revenue or expense attributable to the Facility.

b. All prorations between the parties shall be made on the basis of actual days elapsed in the relevant accounting or revenue period and shall be based on the most recent information available to the parties hereto. Utility charges which are not metered and read on the Commencement Date shall be estimated based on prior charges, and shall be re-prorated within five business days after receipt of statements therefor. Seller and New Operator shall jointly arrange for the turnover of the utility services.

c. Except as otherwise set forth herein, all amounts owing from one party hereto to the other party hereto that require adjustment after the Commencement Date shall be settled within thirty (30) days after the Commencement Date or, in the event the information necessary for such adjustment is not available within said thirty (30) day period, within five (5) business day of such information being available, but no later than nine (9) months after the Commencement Date.

15. **POLICY AND PROCEDURE MANUALS.** Seller and Manager agree to leave one (1) copy of its policy and procedure manual at the Facility, except for those that are proprietary to Seller or Manager, to be retained by New Operator for historical purposes only (and not for ongoing operations) and which may not be duplicated or disseminated by New Operator. Neither Seller nor Manager make any representation relating to the accuracy or completeness of the policy and procedure manual and any reliance upon the same shall be at New Operator's sole risk and liability.

16. **INDEMNIFICATION.**

a. In addition to any other indemnity set forth herein, but subject to the first dollar Basket and Ceiling described below, New Operator hereby indemnifies and agrees to defend and hold Seller, Manager and their successors, assigns, affiliates, managers, members, directors, officers, agents and employees harmless from and against any and all claims, demands, obligations, losses, liabilities, damages, recoveries and deficiencies (including interest, penalties and reasonable attorneys' fees, costs and expenses) (collectively, "Losses") which any of them may suffer as a result of:

i. the untruth of the representations or the breach of any of the warranties of New Operator herein or given pursuant hereto, if the survival period for the same has not lapsed;

ii. any default by New Operator in the performance of any of its commitments, covenants or obligations under this Agreement;

iii. any suits, arbitration proceedings, administrative actions or investigations to the extent relating to the operations at the Facility by New Operator on or after

the Commencement Date;

iv. claims which arise after the Commencement Date and relate to periods on or after the Commencement Date with respect to Resident Trust Funds; and

v. any liability which may arise from operations at, or use or condition of, the Facility on or after the Commencement Date to the extent it relates to the operations at, or use or condition of, the Facility on or after the Commencement Date.

Within thirty (30) days after notice of a claim pursuant to **Section 16(c)**, New Operator shall promptly pay to Seller a sum of money sufficient to pay in full such claim or demand, or promptly cure such breach or contest such claim in accordance with **Section 16(c)** hereof.

b. In addition to any other indemnity set forth herein, but subject to the first dollar Basket and Ceiling described below, Seller hereby indemnifies and agrees to defend and hold New Operator and its successors, assigns, affiliates, managers, members, agents, servants and employees harmless from and against any and all Losses which any of them may suffer as a result of any of the following events:

i. the untruth of any of the representations or the breach of any of the warranties of Seller herein or given pursuant hereto, if the survival period for the same has not lapsed;

ii. any default by Seller or Manager in the performance of any of their commitments, covenants or obligations under this Agreement;

iii. any suits, arbitration proceedings, administrative actions, investigations or penalties to the extent relating to the operations at the Facility prior to the Commencement Date;

iv. for claims with respect to the Resident Trust Funds which arise prior to the Commencement Date or relate to period prior to the Commencement Date;

v. any obligations under any Contracts that shall accrue or relate to periods prior to the Commencement Date or for services that were performed or rendered prior the Commencement Date;

vi. any claim for Recapture; and

vii. any liability which may arise from operations at, or use or condition of, the Facility prior to the Commencement Date to the extent it relates to the operations at, or use or condition of, the Facility prior to the Commencement Date.

Within thirty (30) days after notice of a claim pursuant to **Section 16(c)**, Seller shall promptly pay to New Operator a sum of money sufficient to pay in full such claim or demand, or promptly cure such breach or contest such claim in accordance with **Section 16(c)** hereof.

c. In the event that any liability, claim, demand or cause of action which is indemnified against by or under any term, provision, section or paragraph of this Agreement (“**Indemnitee’s Claim**”) is made against or received by any indemnified party (“**Indemnitee**”) hereunder, said Indemnitee shall notify the indemnifying party (“**Indemnitor**”) in writing within twenty one (21) calendar days of Indemnitee’s receipt of written notice of said Indemnitee’s Claim, provided, however, that Indemnitee’s failure to timely notify Indemnitor of Indemnitee’s receipt of an Indemnitee’s Claim shall not impair, void, vitiate or invalidate Indemnitor’s indemnity hereunder nor release Indemnitor from the same, which duty, obligation and indemnity shall remain valid, binding, enforceable and in full force and effect so long as Indemnitee’s delay in notifying Indemnitor does not, solely by itself, directly and materially prejudice Indemnitor’s right or ability to defend the Indemnitee’s Claim. Upon its receipt of any or all Indemnitee’s Claim(s), Indemnitor shall diligently defend, compromise or settle said Indemnitee’s Claim at Indemnitor’s sole and exclusive cost and expense and shall promptly provide Indemnitee evidence thereof within twenty one (21) calendar days of the final, unappealable resolution of said Indemnitee’s Claim, provided such claim is for litigation only. Notwithstanding any other provision hereof, in the event of an Indemnitee’s Claim unrelated to litigation (e.g., Medicaid takeback), Indemnitor shall be responsible for any damages, costs or expenses to Indemnitee, including attorney’s fees incurred as a result of the indemnification event, to be paid to Indemnitee within thirty (30) days of written demand for the same. Upon the receipt of the written request of Indemnitee, Indemnitor shall within fourteen (14) calendar days provide Indemnitee a true, correct, accurate and complete written status report regarding the then current status of said Indemnitee’s Claim.

d. Indemnitee may not settle or compromise an Indemnitee’s Claim without Indemnitor’s prior written consent. Failure to obtain such consent shall be deemed a forfeiture by Indemnitee of its indemnification rights hereunder.

e. Neither Seller nor New Operator shall have the right to assert any Indemnitee’s Claim unless the claim, in the aggregate with any other claims proposed to be asserted by such Indemnitee, exceeds Fifty Thousand Dollars (\$50,000) (the “**Basket**”), provided, however, that if and when such threshold is reached and thereafter, any and all claims shall be payable from the first dollar of such Losses, provided, however, the Basket shall not apply to indemnification for any Losses related to Recapture claims.

f. The maximum amount of liability that any party shall have to the other in all circumstances for any and all Losses or any other indemnification obligation related to this Agreement shall not exceed in the aggregate, an amount equal One Million Dollars (the “**Ceiling**”).

g. New Operator’s indemnification claims shall be partially secured by the Escrow Holdback (as defined and described in the Purchase Agreement). New Operator agrees to execute and deliver to Seller an escrow holdback agreement in form and substance consistent with the terms described in the Purchase Agreement.

h. The indemnification obligations under this Section 16 shall survive the Commencement Date for a period of three (3) years.

17. REPRESENTATIONS AND WARRANTIES OF NEW OPERATOR. As an inducement to Seller to enter into this Agreement, New Operator covenants and makes the following representations and warranties set forth below, which are true and correct as of the date hereof and which shall be true and correct on the Commencement Date:

- a. **Status.** New Operator is a [limited liability company], duly organized and validly existing in good standing under the laws of the State of [Illinois].
- b. **Authority.** New Operator has the full right, power and authority to enter into this Agreement.
- c. **Survival of Representations or Warranties.** The representations and warranties of New Operator under **Section 17(a)** (Status) and **Section 17(b)** (Authority) shall survive the Commencement Date of the transaction contemplated hereunder for the maximum period permitted by applicable law.

18. REPRESENTATIONS AND WARRANTIES OF SELLER. As an inducement to New Operator to enter into this Agreement, Seller covenants and makes the following representations and warranties, which are true and correct as of the date hereof and which shall be true and correct as of the Commencement Date:

- a. **Status.** Seller is a public body corporate and politic under the laws of the State of Illinois and is duly qualified to own property and conduct business in the State of Illinois.
- b. **Authority.** Seller has the full right, power and authority to enter into this Agreement.
- c. **Litigation.** There are no lawsuits, investigations or other proceedings pending or, to Seller's knowledge, threatened against the Seller specifically related to the Facility or Seller's right to own the Property or Seller's right to enter into this Agreement, other than as set forth in **Schedule 18(d)**. To Seller's knowledge, there are no ongoing audits of the Facility's billing by any third-party payor.
- d. **Contracts.** Seller has made available to New Operator a copy of each written Contract that affects the Facility. To Seller's knowledge, each of the Contracts is legal, valid, binding and enforceable. Seller knows of no reason why it would be in default under any Contracts related to the Facility.
- e. **Property and Supplies.** Unless specifically permitted pursuant to the terms of this Agreement, Seller has not removed any items of personal property or Supplies from the Facility. Except for the Resident Trust Funds, Seller does not have possession of any other personal property owned by any resident of the Facility. There are currently sufficient Supplies to operate the Facility as it has been operated by Manager since July 1, 2017.
- f. **AS IS.** New Operator acknowledges and agrees that neither Seller nor any agent or representative of Seller have made, and Seller is not liable or responsible for or bound in any manner by any express or implied representations, warranties, covenants,

agreements, obligations, guarantees, statements, information or inducements pertaining to the physical condition of the Supplies, Property or the Facility, including the quantity, character, fitness and quality thereof, merchantability, fitness for particular purpose, the income, expenses or operation thereof, the value and profitability thereof, the structural and mechanical condition of the buildings, structures and improvements situated thereon, the plumbing, heating, air conditioning, electric and ventilating systems serving the Property and any other matter or thing whatsoever with respect thereto. Purchaser acknowledges, agrees, represents and warrants that it has and shall have the opportunity to inspect the Property and all matters comprising the Property, including the Supplies and Facility, and has or shall have access to information and data relating to all of same as Purchaser deems necessary, prudent, appropriate or desirable for the purposes of this transaction. Purchaser acknowledges that it is fully familiar with the Property and Purchaser expressly agrees to accept the Supplies, Property and the Facility **"AS IS, WHERE IS AND WITH ALL FAULTS"**, in its current condition, subject to reasonable wear and tear.

g. **Life Care Contracts.** The Facility is not a party to any life care contract with any resident of the Facility.

h. **Audits.** There are no current desk audits or full audits by OIG, CMS, IDPH, HFS or any other applicable governmental or quasi-governmental regulatory agency in connection with any cost reports filed by Seller.

i. **Licensure.** The Facility is and shall be on the Commencement Date licensed by IDPH as a skilled nursing facility with 243 skilled nursing beds. Such license is unrestricted, unconditional, in good standing and in full force and effect and subject to no waivers or limitations. There are no outstanding Life Safety Code deficiencies or violations cited by IDPH, CMS or any state or local building, fire safety or health authorities that have not been corrected as of the date of this Agreement.

j. **Certification.** The Facility is certified for participation in the Medicare and Medicaid reimbursement programs. Such certifications are in good standing and full force and effect and subject to no restrictions or limitations. There are no written claims, demands or other notices of or action alleging the overpayment of Medicare, Medicaid or other governmental or quasi-governmental reimbursements or demands for the return of such alleged overpayments by any third party payor with respect to the Facility.

k. **Violations.** Seller has not received notice that with respect to the Facility it has been charged or implicated in any violation of any state or federal statute or regulation involving false, fraudulent or abusive practices relating to its participation in state or federally sponsored reimbursement programs, including but not limited to false or fraudulent billing practices. The Facility is not in an open survey cycle (i.e., received violations but not yet found to be in substantial compliance). Seller has not received notice of, nor is aware of facts that may give rise to, any action that has been threatened, taken or recommended by any government authority to revoke, withdraw or suspend its license to operate the Facility or to terminate or decertify any participation of the Facility in the Medicaid or Medicare programs.

l. **Surveys.** Seller has furnished New Operator with true, accurate and complete copies of all surveys, inspection reports and similar examination reports related to the Facility in its possession as of the date of this Agreement (collectively, the "Surveys"). Any violations on the Surveys have been cured and addressed by a plan of corrective action.

m. **Utilities.** All utility services, including heat, air conditioning, hot and cold water, telephones, gas and electricity are available at the Facility in quantities sufficient for the present use of the Property. The Facility has not experienced any material disruptions to its operations arising out of any recurring loss of electrical power, flooding, limitations to access to public sewer and water or restrictions on septic service.

n. **Permits.** To the best of Seller's knowledge, all of the licenses and permits are valid and in full force and effect, and Seller has not received any notice of any violation of such permit or license.

o. **Survival of Representations or Warranties.** The representations and warranties of Seller under this Agreement shall survive the Commencement Date of the transaction contemplated hereunder for the period of twelve (12) months after the Closing Date; except the representations and warranties set forth in **Section 18(a)** (Status) and **Section 18(b)** (Authority), together with any right to indemnification for breach thereof, shall survive the Commencement Date and continue in full force and effect for the maximum period permitted by applicable law.

19. **POST-COMMENCEMENT DATE COVENANTS.**

a. **Use Covenants** New Operator hereby covenants that beginning on the Commencement Date and continuing through December 31, 2027:

i. **Property Use .** The Facility shall be operated as a skilled nursing facility with at least 220 licensed beds. The Facility shall not be used for any purpose except as a skilled nursing facility, geriatric center, long-term care facility or assisted living facility, provided it complies with Section 19(a)(iii) in all instances.

ii. **Residents.** All persons who are residents of the Facility on the Commencement Date shall continue to be residents after the Commencement Date. New Operator shall not transferred any existing resident to another facility (i) without the written consent of such resident; or (ii) for medical necessity as determined by a medical professional in accordance with standard industry practice.

iii. **Medicaid Beds.** At least fifty percent (50%) of the licensed beds shall be reserved for Medicaid-eligible persons to the extent allowed by law and New Operator will use its absolute best efforts to accept all such Medicaid eligible residents.

iv. **Priority to County Residents.** New Operator shall provide priority for admissions to residents of Champaign County, Illinois where there are insufficient

beds for both individuals within Champaign County, Illinois and outside of Champaign County, Illinois.

b. **Employees.** New Operator shall: (i) re-hire all of the current employees at the Facility on the Commencement Date who pass a background check, (ii) not terminate 10% or more of the current employees within the first 60 days following the Commencement Date and (iii) not terminate 20% or more of the current employees during the first 6 months after the Commencement Date. Nothing in this paragraph, however, shall create any right in favor of any person not a party hereto, including the Employees, or constitute an employment agreement or condition of employment for any Employee.

c. **Successors and Assigns.** The use restrictions set forth in this **Section 19** shall apply to New Operator's successors and assigns.

d. **Survival.** This **Section 19** shall survive the termination of this Agreement until January 1, 2028.

20. **NO JOINT VENTURE.** Nothing contained herein shall be construed as forming a joint venture or partnership between the parties hereto with respect to the subject matter hereof. The parties hereto do not intend that any third party shall have any rights under this Agreement.

21. **EXHIBITS AND SCHEDULES.** If any exhibits or schedules are not attached to this Agreement on the date of execution, the parties agree to attach such exhibits and schedules as soon as reasonably practicable. This Agreement is subject to New Operator approving all exhibits and schedules not attached hereto on the date hereof, within five business days of submission thereof to New Operator. The parties hereto agree that the party charged with providing an exhibit or schedule to this Agreement shall, to the extent necessary after delivery thereof, amend or supplement all exhibits and schedules in order for the same to be current, true and correct as of the Commencement Date.

22. **EVENTS OF DEFAULT; REMEDIES.** The breach by either Seller, Manager or New Operator (as applicable, "**Defaulting Party**") of any term, provision, condition, promise, covenant, representation, warranty, indemnity, duty or obligation if not cured within ten (10) business days of the earlier of said Defaulting Party's receipt or refusal of written notice of the same from the other party ("**Non-Defaulting Party**") shall automatically and without further notice hereunder be an immediate event of default ("**Event of Default**") entitling the Non-Defaulting Party to exercise any remedies available to it hereunder or in law or equity. The Non-Defaulting Party's rights and remedies hereunder shall be cumulative and not mutually exclusive and the exercise by the Non-Defaulting Party of one or more rights or remedies shall not be deemed, interpreted or construed as an election of the same or to bar, prevent or preclude the simultaneous or consecutive exercise of any other right or remedy available to the Non-Defaulting Party, including the simultaneous or successive pursuit of money damages and injunctive relief. The Non-Defaulting Party shall not be required to post any bond, surety or security of any nature whatsoever to pursue injunctive relief, the necessity or requirement for the same being hereby waived by the Defaulting Party.

23. **GENERAL PROVISIONS.**

a. Seller, Manager and New Operator each agree to use its best efforts to cause the conditions to its obligations and to the other party's obligations herein set forth to be satisfied at or prior to the Commencement Date. Each agrees to execute and deliver any further agreements, documents or instruments necessary to effectuate this Agreement and the transactions referred to herein or contemplated hereby or reasonably requested by the other party to perfect or evidence their rights hereunder. Each shall promptly notify the other party of any information delivered to or obtained by such party which would prevent the consummation of the transactions contemplated hereby, or which would indicate a breach of the representations or warranties of any other party hereto.

b. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be sent by recognized overnight courier, electronic mail or registered or certified mail to the addressed as follows:

if to Seller: Champaign County Board
 c/o C. Pius Weibel, Chair
 1776 East Washington Street
 Urbana, Illinois 61082
 Email: cweibel@co.champaign.il.us

Champaign County Board
c/o Rick Snider, County Administrator
1776 East Washington Street
Urbana, Illinois 61082
Email: rsnider@co.champaign.il.us

with a copy to: Sher, LLP
 5750 Old Orchard Road, Suite 420
 Skokie, Illinois 60077
 Attention: Stephen N. Sher, Esq.
 Email: steve@sherlegal.com

If to Manager: SAK Management, LLC
 One Northfield Plaza, Suite 480
 Northfield, IL 60093
 Attn: Suzanne Koenig
 Email: skoenig@sakmgmt.com

If to New Operator: []
 []
 []
 Attention: []
 Email: []

with a copy to:

[_____]
[_____]
[_____]
Attention: [_____]
Email: [_____]

or if written notification of a change of address has been sent, to such other party or to such other address as may be designated in that written notification. Each such notice and other communication under this Agreement shall be effective or deemed delivered or furnished (i) if given by mail, on the third business day after such communication is deposited in the mail; (ii) if given by electronic mail, effective upon transmission if before 5:00 p.m. (Central), otherwise effective the next business day; and (iii) if given by hand delivery or overnight courier, when delivered to the address specified above. Notwithstanding anything herein to the contrary, any notice received by a recipient on a day when the federal banks are closed in Chicago, Illinois shall automatically be deemed and construed to be received on the next regular business day following its receipt.

c. Each party hereto shall bear its own legal, accounting and other expenses incurred in connection with the preparation and negotiation of this Agreement and the consummation of the transaction contemplated hereby, whether or not the transaction is consummated.

d. This Agreement, together with all exhibits and schedules attached hereto and any other agreements referred to herein, constitutes the entire understanding between the parties with respect to the subject matter hereof, superseding all negotiations, prior discussions and preliminary agreements.

e. This Agreement may not be modified or amended except in writing signed by the parties hereto.

f. Notwithstanding anything herein to the contrary, neither party shall have liability for any inaccuracy or breach of any representation or warranty if, before the closing, the other party had knowledge of said inaccuracy or breach or the underlying facts giving rise to such inaccuracy or breach.

g. The parties agree that time is of the essence.

h. No waiver of any term, provision or condition of this Agreement, in any one or more instances, shall be deemed to be or be construed as a further or continuing waiver of any such term, provision or condition of this Agreement. No failure to act shall be construed as a waiver of any term, provision, condition or rights granted hereunder.

i. Neither this Agreement nor the rights, duties or obligations arising hereunder shall be assignable or delegable by either party hereto without the express prior written consent of the other party hereto; provided, however, that New Operator shall have the right to assign this Agreement to an entity formed for the purpose of being designated the permitted nominee of New Operator's rights and obligations under this Agreement, and its rights,

privileges and obligations hereunder shall be deemed assigned to such newly formed company. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

j. Captions of paragraphs are for convenience only and are not part of this Agreement and do not affect, change or modify the paragraphs they precede.

k. All understandings and agreements heretofore and between the parties are merged in this Agreement and all exhibits and schedules attached hereto, which alone fully and completely expresses their agreement.

l. This Agreement shall be construed in accordance with the laws of the State of Illinois.

m. EACH PARTY HERETO WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS AGREEMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED IN CONNECTION HERewith OR HEREAFTER AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

n. THIS AGREEMENT AND THE OTHER DOCUMENTS EXECUTED IN CONNECTION HERewith SHALL BE GOVERNED AND CONTROLLED BY THE INTERNAL LAWS OF THE STATE OF ILLINOIS AS TO INTERPRETATION, ENFORCEMENT, VALIDITY, CONSTRUCTION, EFFECT, AND IN ALL OTHER RESPECTS. ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT SHALL BE BROUGHT EXCLUSIVELY IN THE STATE OR FEDERAL COURTS LOCATED IN CHAMPAIGN COUNTY, ILLINOIS, AND EACH PARTY HERETO EXPRESSLY SUBMITS TO THE PERSONAL JURISDICTION AND VENUE OF SUCH COURT FOR THE PURPOSES THEREOF. TO THE EXTENT LEGALLY WAIVABLE, EACH OF THE PARTIES HERETO HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE UPON SUCH PARTIES BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO SUCH PARTY, AT THE ADDRESS SET FOR NOTICE IN THIS AGREEMENT AND SERVICE SO MADE SHALL BE COMPLETE TEN (10) DAYS AFTER THE SAME HAS BEEN POSTED. THE PARTIES HERETO HEREBY WAIVE ANY RIGHT THEY MAY HAVE TO TRANSFER OR CHANGE THE VENUE OF ANY LITIGATION BROUGHT AGAINST SUCH PARTY IN ACCORDANCE WITH THIS SECTION.

o. This Agreement may be executed in counterparts, or by facsimile or electronic submission, each of which shall for all purposes be deemed an original, and all of such counterparts shall together constitute one and the same agreement.

p. All of the provisions of this Agreement 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.

q. The recitals set forth at the beginning of this Agreement constitute an integral part of this Agreement and are hereby incorporated by reference herein and made in the Purchase Agreement hereof as if fully set forth herein.

r. 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, or “any” shall mean “any and all”; “or” shall mean “and/or”, and “including” shall mean “including, without limitation”.

s. As used in this Agreement, an individual will be deemed to have “knowledge” of a particular fact or other matter if such individual is actually aware or should have been aware after due inquiry. An entity other than an individual will be deemed to have “knowledge” of a particular fact or other matter if any individual who is serving as a member, manager, director or officer of such entity is actually aware or should have been aware after due inquiry of such fact or other matter. Notwithstanding and without limiting the foregoing, Seller shall be deemed to have knowledge of a particular fact or other matter under this Agreement if Rick Snider has actual knowledge of such fact or other matter.

t. Whenever the under the terms and provisions of this Agreement the time for performance falls upon a Saturday, Sunday or nationally recognized legal holiday, such time for performance shall be extended to the next business day. Unless otherwise specified, in computing any period of time described herein, the day of the act or event on which the designated period of time begins to run shall not be included and the last day of the period so computed shall be included, unless such last day is a Saturday, Sunday or legal holiday, in which event the period shall run until the next day which is not a Saturday, Sunday or a legal holiday. Further, unless otherwise specified, any reference to a specified number of days shall be deemed to refer to calendar days.

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

v. The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any of the parties hereto.

w. The parties hereto, and each of them, represent that in effecting and executing this Agreement, each has received from legal counsel advice as to its and their respective legal rights, irrespective as to whether they have legal counsel at the time of executing this Agreement.

[SIGNATURE PAGE FOLLOWS]

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

SELLER:

The County of Champaign, Illinois, a public body corporate and politic of the State of Illinois

Attest:

By: _____
C. Pius Weibel, County Board Chair

By: _____
Gordy Hulten, County Clerk

MANAGER:

SAK Management Services, LLC, an Illinois limited liability company

By: _____
Name: _____
Its: _____

NEW OPERATOR:

[New Operator, LLC], an [Illinois limited liability company]

By: _____
Name: _____
Its: _____

Schedule 3(a)(i)

[List Vehicles with Make, Model, Year and VIN.]

Schedule 8(a)

Contracts

[List all Contracts.]

Schedule 8(b)

Assumed Contracts

1. The Union Contracts.
2. [List service contracts that can be cancelled on 60 days' or less notice.]
3. [List service contracts that would require a termination fee.]

Schedule 18(d)

Litigation

None.

RESOLUTION NO. 2018-3

**RESOLUTION AUTHORIZING ADDENDUM TO NURSING HOME BROKERAGE
AGREEMENT WITH MARCUS & MILLICHAP FOR PROPERTY BROKERAGE AND
CONSULTING SERVICES FOR THE SALE OR TRANSFER OF THE
CHAMPAIGN COUNTY NURSING HOME**

WHEREAS, The Champaign County Board adopted Resolution No. 10008 on June 22, 2017, authorizing award of contract to Marcus & Millichap pursuant to RFI 2017-004 for property brokerage and consulting services for the sale or transfer of the Champaign County Nursing Home; and

WHEREAS, the Champaign County Board approves the attached addendum to the agreement with Marcus & Millichap;

NOW, THEREFORE, BE IT RESOLVED that the Champaign County Board authorizes the County Board Chair to sign the attached addendum to contract with Marcus & Millichap for Property Brokerage and Consulting Services for the Sale or Transfer of the Champaign County Nursing Home.

PRESENTED, PASSED, APPROVED, AND RECORDED this 9th day of January A.D. 2018.

C. Pius Weibel, Chair
Champaign County Board

ATTEST: _____
Gordy Hulten, County Clerk
and ex-officio Clerk of the
Champaign County Board

ADDENDA

January 9, 2018

Subject to the Board of Champaign County's absolute discretion, specifically upon a two-thirds (2/3) vote of the full County Board to enter into the Asset Purchase Agreement (APA) and Operations Transfer Agreement (OTA) after the vetting process further outlined in Champaign County RFP 2018-___ (attached hereto as "Exhibit B") and utilizing the Broker's services as set forth in this Agreement, the Board of Champaign County grants to the Broker, for a period of time (the "Term") commencing on January 10, 2018 and ending at midnight on July 10, 2018, and subject to extension as set forth in paragraph 3 of the Agreement, the exclusive and irrevocable right and authority to sell that asset and operation commonly known as the Champaign County Nursing Home.

SELLER'S SIGNATURE:

BOARD OF CHAMPAIGN COUNTY

By: _____

Date: _____

C. Pius Weibel, Champaign County Board Chair

Attest: _____

Date: _____

Gordy Hulten, Champaign County Clerk

BROKER'S SIGNATURE:

MARCUS & MILLICHAP REAL ESTATE INVESTMENT SERVICES OF CHICAGO



By: _____

Date: 1/2/18

Josh Jandris, Designated Agent

RESOLUTION NO. 10139

A RESOLUTION AUTHORIZING THE COUNTY BOARD CHAIR TO SIGN THE PROPOSED CHAMPAIGN COUNTY NURSING HOME SUBDIVISION PLAT AND RELATED APPLICATIONS

WHEREAS, in an April 2017 referendum, Champaign County voters authorized the County Board to consider selling the Champaign County Nursing Home; and

WHEREAS, subsequent to that April 2017 referendum, the County Board approved Resolution No. 10008 that selected a broker to market the Nursing Home and authorized the necessary steps to implement sale of the Nursing Home; and

WHEREAS, the necessary steps in making the Nursing Home saleable include subdividing (separating) the nursing home (and some amount of land) from the rest of the Brookens Campus and ensuring that the resulting nursing home property has proper zoning; and

WHEREAS, subdividing property requires a plat of subdivision (ie, a map) to be prepared by a licensed surveyor/ engineer and the plat must be approved by the relevant subdivision authority; and

WHEREAS, the Champaign County Brookens campus is located within the City of Urbana and the City of Urbana is both the relevant subdivision authority for subdivision of the Champaign County Nursing Home from the Champaign County Brookens campus and the City of Urbana is also the relevant zoning authority for the Champaign County Brookens Campus including the Champaign County Nursing Home; and

WHEREAS, the proposed Minor Plat Champaign County Nursing Home subdivision includes an Ingress/Egress Easement over Art Bartell Road in lieu of making improvements to convert Art Bartell Road to a public street and Champaign County will continue to have maintenance responsibility for Art Bartell Road; and

WHEREAS, the Champaign County Nursing Home is in the City of Urbana Conservation-Recreation-Education Zoning District in which nursing homes are not an authorized use unless owned by a government and authorized by a Special Use Permit pursuant to Section VII-7A. of the City of Urbana Zoning Ordinance and the City of Urbana did authorize the Champaign County Nursing Home by such a Special Use Permit in City of Urbana Ordinance No. 2004-04-045; and

WHEREAS, if the Champaign County Nursing Home is sold, it may not be sold to a governmental body and therefore a new zoning approval is needed prior to time of sale; and

WHEREAS, much of the Champaign County Brookens Campus is in the City of Urbana R-4 Medium Density Multifamily Zoning District in which a nursing home is not permitted by right but a nursing home may be authorized by a Conditional Use Permit in the R-4 District if so approved by the City of Urbana Zoning Board of Appeals and therefore changing the zoning

designation of the Champaign County Nursing Home from CRE to R-4 and seeking approval of a Conditional Use Permit for the Nursing Home is consistent with the zoning of much of the Champaign County Brookens Campus and will provide for the sale of the Nursing Home to a non-government entity;

NOW, THEREFORE BE IT RESOLVED by the Champaign County Board that:

1. The County Board Chair is hereby authorized to sign the following documents:
 - a. The proposed Champaign County Nursing Home Subdivision Plat, Owner’s Certificate, and Declaration of Covenants and Restrictions, substantially in the manner as attached hereto, and the related City of Urbana Application for Minor Plat and the related City of Urbana Application for a Waiver of Subdivision Regulations, including any minor changes to the Plat, Owner’s Certificate, and/or Declaration of Covenants and Restrictions that may be necessary to secure approval by the City of Urbana; and
 - b. An application to the City of Urbana for a Zoning Map Amendment to change the zoning of the Champaign County Nursing Home from the CRE Conservation-Recreation-Education Zoning District to the R-4 Medium Density Multifamily Zoning District; and
 - c. An application to the City of Urbana for a Conditional Use Permit to allow the Champaign County Nursing Home to be owned by a non-government entity; and
2. The Champaign County Administrator and the Champaign County Facilities Director are hereby authorized to take the necessary actions to secure the above approvals in a timely manner.

PRESENTED, ADOPTED, APPROVED and RECORDED this 9th day of January, 2018.

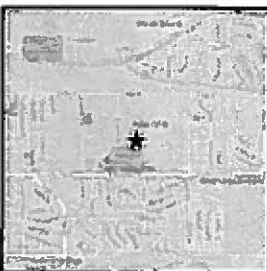
C. Pius Weibel, Chair
 Champaign County Board
 Champaign County, Illinois

ATTEST: _____
 Gordy Hulten, County Clerk
 and *ex-officio* Clerk of the Champaign County Board

**MINOR PLAT
CHAMPAIGN COUNTY NURSING HOME SUBDIVISION
PART OF THE NORTHEAST QUARTER OF SECTION 16,
TOWNSHIP 19 NORTH, RANGE 9 EAST
OF THE THIRD PRINCIPAL MERIDIAN,
CITY OF URBANA, CHAMPAIGN COUNTY, ILLINOIS**

PREPARED FOR RECORDING BY:

RETURN ORIGINAL TO:
MSA Professional Services
201 West Springfield Avenue, Suite 400
Champaign, IL 61820

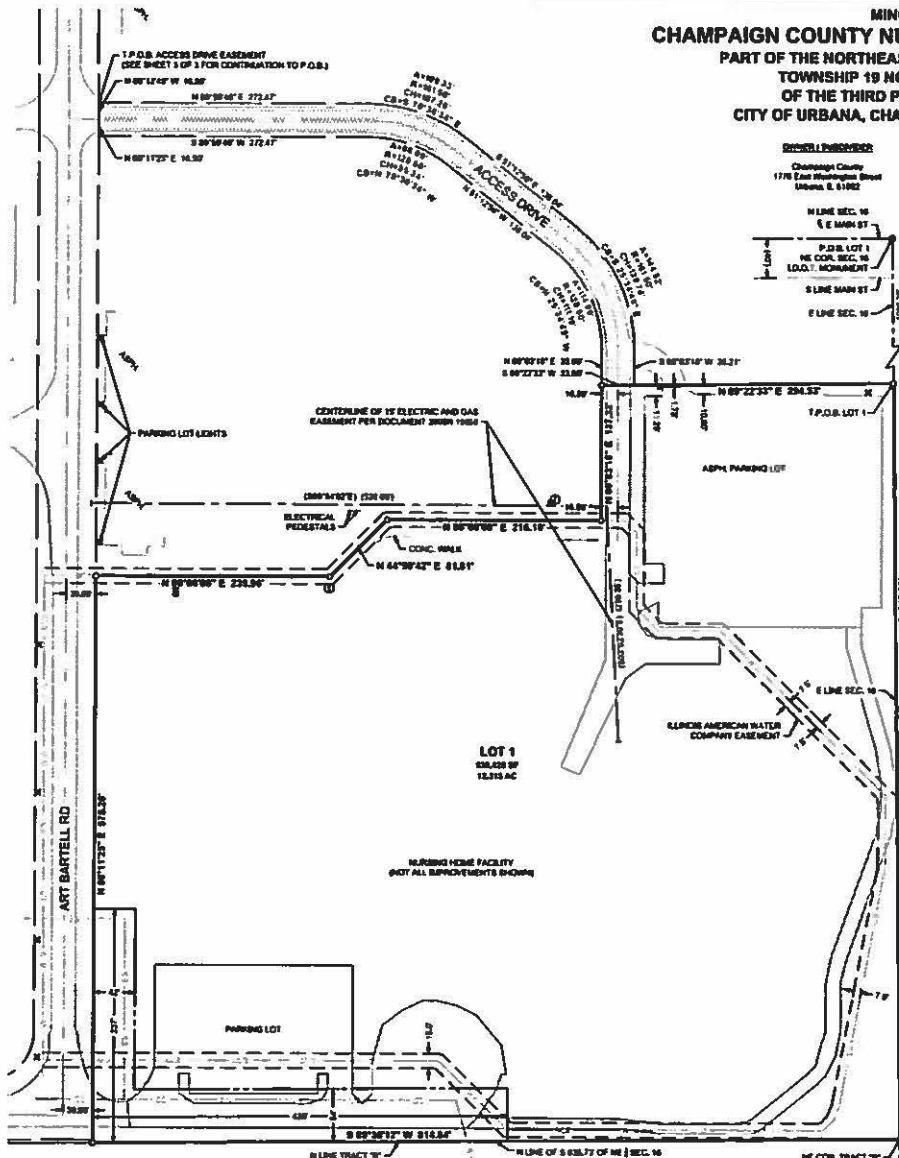


VICINITY MAP



LEGEND

- PROPERTY BOUNDARY LINE
- PROPERTY LINE
- - - EXISTING EASEMENT LINE
- - - PROPOSED EASEMENT FOR DRAINAGE AND PUBLIC UTILITIES
- - - PROPOSED EASEMENT FOR IMPROVEDNESS, DRAINAGE, AND PUBLIC UTILITIES
- ROAD CENTERLINE
- CONCRETE CURB AND GUTTER
- EDGE OF CONCRETE PAVEMENT
- APPROXIMATE EDGE OF PAVEMENT
- FENCE LINE
- EDGE OF BUILDING
- WATER LINE
- FOUND IRON ROD OR PIPE
- SET 1/4" FROM ROD WITH "ASA" CAP
- FOUND I.D.C.T. MONUMENT
- FOUND IRON ROD IN CONCRETE MONUMENT
- SANITARY SEWER MANHOLE
- WATER VALVE
- FIRE HYDRANT
- TELEPHONE MANHOLE
- LIGHT POLE
- HOLE
- ASPHALT SURFACE
- CONCRETE SURFACE
- POINT OF BEGINNING
- TRILE POINT OF BEGINNING
- RIGHT-OF-WAY
- SECTION
- CORNER
- W.C. WITHES CORNER
- 23.80' BOUNDARY DIMENSION
- 23.80' MEASURED DIMENSION
- (23.80') DIMENSION OF RECORD



OWNER / SUBDIVIDER
Champaign County
1716 East Washington Street
Urbana, IL 61802

OWNER / PROPERTY
MSA Professional Services
201 West Springfield Avenue, Suite 400
Champaign, IL 61820

SURVEYOR'S CERTIFICATE

STATE OF ILLINOIS
COUNTY OF CHAMPAIGN

FLOOD ZONE CLASSIFICATION

The surveyed tract is located in Zone "X" areas designated to be outside the 1% annual chance flood identified for the City of Urbana, Illinois by the Federal Emergency Management Agency (FEMA), National Flood Insurance Program, Flood Insurance Risk Map Number 17010, 84110, dated October 2, 2011.

SURVEYOR'S NOTES

- Field work for this plat of survey was completed on August 26, 2011.
- All dimensions are horizontal distances and no between adjacent monuments unless otherwise noted.
- Surveying stakes on this plat of survey are on the Bureau State Plane, East Zone (NAD 83) as referenced from a Distance and Azimuth plat of survey dated November 1, 1988.
- All lot corners are marked as shown. All lot lot corners are 100' or with 1/2" or 3/4" long iron rod monuments.
- The location of offices as shown herein are based on shown ground structures observed by and drawings provided to the surveyor.
- Stake water management to serve the property subdivided are existing on the Substandard Area Substandard Improvement Project.
- The property subdivided encompasses 12.315 acres, more or less.
- The property subdivided lies within the separate limits of the City of Urbana.
- The property subdivided lies within the Substandard Area Substandard Improvement Project.
- No portion of the property subdivided lies within 500 feet of a point on a water course which drains over 400 acres.
- The property subdivided is zoned CNE (Community Neighborhood) as approved by the City of Urbana, Illinois. All building setbacks shall be as indicated with applicable zoning ordinance.
- The professional service continues to the current Survey records identified for a boundary survey.
- The monuments for the Substandard Area and the monuments of the road, sidewalks, drainage ditches, and other structures within shall be the responsibility of Champaign County in perpetuity.

I, David E. Mackay, being sworn Professional Land Surveyor Number 2008, do hereby certify that to the best of my knowledge and belief, I have caused a survey to be made and a plan to be drawn which is a true and correct representation of the following described tract of land:

Part of the Northeast Quarter of Section 16, Township 19 North, Range 9 East of the Third Principal Meridian, Champaign County, Illinois, described as follows:
Beginning at the northeast corner of Section 16, a point on the extension of East Main Street, measured South 07°27'21" East 1088.25 feet along the east line of said Section 16 to the True Point of Beginning; thence continue along the east-west line of Section 16 South 07°27'21" East 767.28 feet to the northeast corner of Tract "A" as described by a plat of survey by Charles S. Dwyer dated November 1, 1988; thence South 07°30'12" West 814.04 feet along the east-west line of Tract "A" as described by the said plat of survey by Charles S. Dwyer to the proposed east-west line of the Substandard Area Substandard Improvement Project; thence North 07°12'21" East 373.20 feet along the east-west extension line of the Substandard Area Substandard Improvement Project; thence North 07°07'07" East 236.00 feet; thence North 07°30'27" East 81.81 feet; thence North 07°07'07" East 376.40 feet; thence North 07°07'17" East 137.27 feet; thence North 07°27'27" East 294.81 feet to the True Point of Beginning on the west line of Section 16.
Land tract comprising 12.315 acres, more or less.

For said owners who desire to facilitate the development of said land by subdividing it into lots which are plat to which the conditions as stated particularly conditions and facts herein the plat into which said land has been subdivided and have thereupon the plat, which contains no errors or omissions and have stated the precise dimensions in feet and tenths of feet of said lots and that reference has been made upon said plat and that of building setbacks there shall be in accordance with applicable zoning ordinance.

The said subdivision is to be known as "Champaign County Nursing Home Subdivision."

Dated and Subscribed this ___ day of October, 2011.

David E. Mackay
Sworn Professional Land Surveyor No. 2008
License Expires November 20, 2015



DRAINAGE STATEMENT

We hereby state that to the best of our knowledge and belief the drainage of surface waters of this plat will not be changed by the construction of this subdivision and that the plat into which said land has been subdivided and have thereupon the plat, which contains no errors or omissions and have stated the precise dimensions in feet and tenths of feet of said lots and that reference has been made upon said plat and that of building setbacks there shall be in accordance with applicable zoning ordinance.

David E. Mackay
Sworn Licensed Professional Engineer No. 47257
License Expires November 20, 2011



Owner & Subdivider: _____ Date: _____
City Engineer: _____ Date: _____
Director, Community Development Services: _____ Date: _____
Secretary, Urbana Plan Commission: _____ Date: _____

APPROVED:

City Engineer

Director, Community Development Services

Secretary, Urbana Plan Commission
Date: _____
Attest: _____ City Clerk, Date: _____

PROJECT NO.	099280	SCALE: AS SHOWN	DATE: 08/15	REVISION:	
PROJECT NAME	CHAMPAIGN COUNTY NURSING HOME SUBDIVISION	DRAWN BY: CDP	CHECKED BY: CDP	APPROVED BY: CDP	
<p align="center">MSA ARCHITECTURE ENGINEERING ENVIRONMENTAL LANDSCAPE ARCHITECTURE PLANNING SURVEYING 201 West Springfield Avenue, Champaign, IL 61820 (217) 553-8979 (815) 263-0883</p>					
CHAMPAIGN COUNTY NURSING HOME SUBDIVISION			MINOR PLAT - BOUNDARY AND ACCESS DRIVE EASEMENT		
CHAMPAIGN COUNTY			19333000		
CITY OF URBANA, ILLINOIS			1 OF 3		

DECLARATION OF COVENANTS AND RESTRICTIONS

CHAMPAIGN COUNTY NURSING HOME MINOR SUBDIVISION
CITY OF URBANA
CHAMPAIGN COUNTY, ILLINOIS

This Declaration of Easements, Covenants, Conditions, and Restrictions is made and entered into this _____ day of _____, 2017, by the County of Champaign, a body corporate and politic (hereinafter referred to as the "County").

WHEREAS, the County is the fee owner of certain real property (hereinafter referred to as "Lot 1") described in Exhibit "A"; and

WHEREAS, the County may convey Lot 1 to certain other persons or entities; and

WHEREAS, the County will continue to own and have interests in lands adjacent to Lot 1; and

WHEREAS, the County desires to subject Lot 1 to the terms, conditions and provisions of this Declaration as hereinafter set forth,

NOW, THEREFORE, the County does hereby declare and agree as follows:

1. **Ingress/Egress Easement for Lot 1 over Art Bartell Road.** The County hereby creates a non-exclusive easement and right of use appurtenant to and for the benefit of Lot 1, for the persons or entities to whom Lot 1 is conveyed, their successors and assigns, tenants, licensees, guests and invitees (collectively referred to hereinafter as the "Purchasers"), in, on, and over the area designated and described on the attached plat as "proposed easement for ingress/egress, drainage, and public utilities," as designated and described on the attached plat, solely and exclusively for the purposes of ingress to and egress from Lot 1, and subject to all of the following terms and conditions:
 - a. The easement is established in perpetuity, except that it may be extinguished as provided by law, and except that it shall terminate upon occurrence of either or both of the following conditions or events: establishment of alternative access for the Purchasers by public right-of-way, easement, or otherwise, to both the main entrance and the northern parking lot of Lot 1; and/or dedication as a public right-of-way of Art Bartell Road.
 - b. Within the premises of this easement, the County will maintain the road surface and any additional road improvements, such as sidewalks, curbs, shoulders, and drainage ditches, in accordance with County standards, for the duration of the existence of this easement.

- c. The County reserves the right to any reasonable above-surface or subsurface use of the easement premises.
 - d. The County reserves the right to relocate this easement, provided that the County first obtains all necessary approvals from the City of Urbana, at the County's expense.
 - e. This easement shall allow traffic only up to the amount and of the type reasonably expected to be necessary for the use of Lot 1 for the operation of a nursing home facility.
 - f. This easement shall not be a buildable lot.
2. **Utility Easement for Lot 1.** A perpetual, non-exclusive easement is hereby reserved for and granted to the City of Urbana, and to all public utility companies and other companies of any kind operating under franchise granting them easement rights from the City of Urbana, in, on, across, over, under, and through the area designated and described on the attached plat as "proposed easement for ingress/egress, drainage, and public utilities," for the purpose of installing, constructing, inspecting, operating, replacing, renewing, altering, enlarging, removing, repairing, cleaning, and maintaining electrical, gas, telephone, or other utility lines or appurtenances, sanitary sewers, storm sewers, water mains, and any and all manholes, hydrants, pipes, connections, and, without limitation, such other installations as may be required to furnish public utility service or other franchise services to Lot 1, and such appurtenances and additions thereto as the City and Utilities may deem necessary, together with the right of access to the premises of this easement for the necessary persons and equipment to do any or all of the above work. This easement is not a buildable lot. Installation and all other work performed by the City or Utilities in the premises of this easement shall be subject to the County's reasonable prior approval as to the type of equipment used and the method and timing of the work, and subject to execution of appropriate agreements. The City or Utilities shall be responsible for repair of any damage they may cause to the surface of the easement premises.
3. **Access Drive Easement for Lot 1.** The County hereby creates a perpetual, non-exclusive easement and right of use appurtenant to and for the benefit of Lot 1, for the Purchasers of Lot 1, in, on, and over the Access Drive connecting the northernmost portion of Lot 1 with Art Bartell Road, as designated and described on the attached plat, solely and exclusively for the purposes of ingress and egress to and from Lot 1, and subject to all of the following terms and conditions:
- a. Within the premises of this easement, the County will maintain the Access Road surface in accordance with County standards for the duration of the existence of this easement.
 - b. The County reserves the right to any reasonable above-surface or subsurface use of the easement premises.
4. **Obligations of the Purchasers of Lot 1 for the Benefit of the County and Its Successors and Assigns.**

- a. **Reservation of Drainage Infrastructure Easement In Lot 1.** The County hereby reserves, for the benefit of the County, and its successors and assigns, for the use and ownership of its lands adjacent to Lot 1, a perpetual, non-exclusive easement and right of use by the County in, on, across, over, under, and through that area designated on the attached plat as “proposed easement for drainage and public utilities,” in the southwest corner of Lot 1, for drainage and public utilities, and for maintenance of existing subsurface drainage and utilities infrastructure, and for the purpose of installing, constructing, inspecting, operating, replacing, renewing, altering, enlarging, removing, repairing, cleaning, and maintaining subsurface drainage and utilities infrastructure, and for access to the premises of this easement for the necessary persons and equipment to do the above work. The County shall provide reasonable notice to the Purchasers of Lot 1 prior to entry onto the easement premises. The County shall be responsible for repair of any damage to the surface of Lot 1 caused by its use of the easement premises. The County shall have the right to increase, above the present yearly average, the volume of subsurface drainage conducted through this easement, as may be necessary to serve the storm water drainage needs of all County land adjacent to Lot 1.
 - b. **No Alteration of Lot 1 to Increase Runoff Without County Approval.** The Purchasers of Lot 1 are prohibited from physically altering the condition of Lot 1, including making improvements in drainage infrastructure, in any manner that may increase runoff into Weaver Park, without first notifying the County and providing specifications, drawings, and other information that the County may reasonably request, regarding the planned alterations, and obtaining the County’s approval, in addition to obtaining any necessary approvals from the City of Urbana. Should the Purchasers of Lot 1 fail to provide notice and obtain approval as required in this subparagraph, the County may seek injunctive relief and/or damages, and costs, including attorneys’ fees.
5. **No New Easements.** Except as expressly stated herein, all easements identified on the attached plat are for informational purposes only, and no new easements are intended to be granted hereby.

IN WITNESS WHEREOF, the County of Champaign has executed this Declaration this _____ day of _____, 2017.

THE COUNTY OF CHAMPAIGN

By: _____
 C. Pius Weibel, Chair
 Champaign County Board

MINUTES of a special public meeting of the County Board of The County of Champaign, Illinois, held in the Lyle Shields Meeting Room, Brookens Administration Center, 1776 East Washington Street, Urbana, Illinois, in said County at 6:00 o'clock P.M., on the 9th day of January, 2018.

* * *

The Chairman called the meeting to order and directed the County Clerk to call the roll.

Upon the roll being called, C. Pius Weibel, the Chairman, and the following County Board Members at said location answered present: _____

The following County Board Members were absent from the meeting: _____

The Chairman announced that in view of the financial condition of the County and in particular, the Champaign County Nursing Home, the County would need to sell tax anticipation warrants and the County Board would consider the adoption of a resolution authorizing the issuance and the sale of said warrants to Hickory Point Bank and Trust, Champaign, Illinois.

Whereupon County Board Member _____ presented and the County Clerk read by title a resolution as follows, a copy of which was provided to each County Board Member prior to said meeting and to everyone in attendance at said meeting who requested a copy:

RESOLUTION NO. 10187

RESOLUTION authorizing the issuance of \$1,076,760 Taxable 2017 Nursing Home Purposes Tax Anticipation Warrants in anticipation of the collection of taxes levied for the year 2017, by the County Board of The County of Champaign, Illinois, for Nursing Home Fund purposes, and the sale of said warrants to Hickory Point Bank and Trust.

* * *

WHEREAS, there is insufficient money in the treasury of The County of Champaign, Illinois (the "*County*"), to defray the necessary expenses of the County and specifically, the County Nursing Home; and

WHEREAS, the County Board (the "*Board*") of the County deems it advisable, necessary and for the best interests of the County that funds be provided to meet the necessary expenses of the County and for that purpose, warrants be issued and drawn against and in anticipation of the collection of the taxes heretofore levied for Nursing Home Fund purposes by the County for the year 2017; and

WHEREAS, the Warrants and Jurors Certificates Act of the State of Illinois, as amended, authorizes the Board to issue such warrants up to the extent of 85% of the total amount of the taxes so levied, less actual collections thereof:

NOW, THEREFORE, Be It and It Is Hereby Resolved by the County Board of The County of Champaign, Illinois, as follows:

Section 1. Incorporation of Preambles. The Board hereby finds that all of the recitals contained in the preambles to this Resolution are full, true and correct and does incorporate them into this Resolution by this reference.

Section 2. Definitions. For all purposes of this Resolution, except as otherwise expressly provided or unless the context otherwise requires, the terms defined in this Section shall have the meanings set forth below, and shall include the plural as well as the singular.

"*Act*" shall mean, collectively, the Warrants and Jurors Certificates Act of the State of Illinois, as amended, the Counties Code of the State of Illinois, as amended, and the Local Government Debt Reform Act of the State of Illinois, as amended.

"*Board*" shall mean the County Board of the County.

"*Chairman*" shall mean the Chairman of the Board.

"*County Clerk*" shall mean the County Clerk of the County.

“*County*” shall mean The County of Champaign, Illinois.

“*Resolution*” shall mean this Resolution as adopted by the Board.

“*Treasurer*” shall mean the County Treasurer.

“*Warrant Register*” shall mean the books of the County kept by the Warrant Registrar to evidence the registration and transfer of the Warrants.

“*Warrant Registrar*” shall mean the Treasurer or a duly designated successor thereto.

“*Warrants*” shall mean the tax anticipation warrants of the County authorized to be issued under this Resolution.

Section 3. Authorization. Tax anticipation warrants of the County are hereby authorized to be issued, sold and delivered, pursuant to the provisions of the Act, to defray the necessary expenses of the County incurred for Nursing Home Fund purposes and drawn against and in anticipation of the collection of the taxes levied for the year 2017 for such purposes. The Warrants shall each be designated “Taxable 2017 Nursing Home Purposes Tax Anticipation Warrant”; shall be dated the date of their delivery and shall also bear the date of authentication; and shall become due September 28, 2018. The Warrants shall be in fully registered form and shall be of the denomination of \$1 each or authorized integral multiples thereof. The Warrants shall bear numbers assigned for (i) order of issuance and (ii) warrant registration. Each Warrant, upon initial issuance, shall be assigned an order-of-issuance number, from OI-1 and upwards, with each \$1 portion of a Warrant bearing an assigned order-of-issuance number. In addition, each Warrant upon initial issuance or upon transfer or exchange shall bear a registration number for each such Warrant authenticated. The Warrants shall bear interest at the rate of 2.10% per annum, and shall be for the purpose, shall bear the registration number and shall be in the aggregate principal amount as follows:

PURPOSE	REGISTRATION NUMBER	AGGREGATE PRINCIPAL AMOUNT
Nursing Home	NH-1	\$1,076,760

The Warrants shall be in substantially the form attached hereto as *Exhibit A*.

Section 4. Interest; Payment Provisions. Each Warrant shall bear interest, payable only out of the taxes against which such Warrant is drawn, at the rate aforesaid (computed upon the basis of a 360-day year of twelve 30-day months) from the date thereof until paid, such interest being payable on the date of maturity of the Warrants. The principal of and interest on the Warrants shall be payable upon presentation in lawful money of the United States of America at the office of the Warrant Registrar in Urbana, Illinois. The Warrants shall be payable solely from such tax against which they are issued, which are hereby assigned and pledged to the payment of such Warrants. Such tax, when collected, shall be set apart and held for the payment of such Warrants. The Warrants shall show upon the face thereof the particular fund for which

they are issued, that they are payable in the numerical order of their issuance and that any Warrant shall be received by any collector of taxes in payment of the tax against which it is issued and the particular fund for which it is issued.

Section 4. Redemption. The Warrants shall be subject to redemption prior to maturity at the option of the County as a whole, or in part in integral multiples of \$1 as selected by the Warrant Registrar, on May 1, 2018, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

Section 5. Redemption Procedure. The County shall, at least five (5) days prior to the redemption date (unless a shorter time period shall be satisfactory to the Warrant Registrar) notify the Warrant Registrar of such redemption date. Unless waived by any holder of Warrants to be redeemed, notice of the call for any such redemption shall be given by the Warrant Registrar on behalf of the County by mailing by first class mail, emailing or faxing the redemption notice at least five (5) days prior to the date fixed for redemption to the registered owner of the Warrant or Warrants to be redeemed at the address shown on the Warrant Register or at such other address as is furnished in writing by such registered owner to the Warrant Registrar.

Prior to any redemption date, the County shall deposit with the Warrant Registrar an amount of money sufficient to pay the redemption price of all the Warrants or portions of Warrants which are to be redeemed on that date.

Notice of redemption having been given as aforesaid, the Warrants or portions of Warrants so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the County shall default in the payment of the redemption price) such Warrants or portions of Warrants shall cease to bear interest. Upon surrender of such Warrants for redemption in accordance with said notice, such Bonds shall be paid by the Warrant Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Warrant, there shall be prepared for the registered holder a new Warrant or Warrants in the amount of the unpaid principal.

If any Warrant or portion of Warrant called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by the Warrant or portion of Warrant so called for redemption. All Warrants which have been redeemed shall be cancelled and destroyed by the Warrant Registrar and shall not be reissued.

Section 6. Execution. The Warrants shall be signed by the manual or facsimile signatures of the Chairman and County Clerk and shall be registered, numbered, and countersigned by the manual or facsimile signature of the Treasurer, as they shall determine. In case any officer whose signature shall appear on any Warrant shall cease to be such officer before the delivery of such Warrant, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Warrants shall have thereon a certificate of authentication duly executed by the Warrant Registrar as authenticating agent of the County and showing the date of authentication. No Warrant shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless and until such certificate of authentication shall have been duly executed by the Warrant Registrar by manual signature, and such certificate of authentication upon any such Warrant shall be conclusive evidence that such Warrant has been authenticated and delivered under this Resolution.

Section 7. Registration of Warrants; Persons Treated as Owners. The County shall cause the Warrant Register to be kept at the office of the Warrant Registrar, which is hereby constituted and appointed the registrar of the County for the Warrants. The County is authorized to prepare, and the County or the Warrant Registrar or an agent of either shall keep custody of, multiple Warrant blanks for use in the transfer and exchange of Warrants.

Upon surrender for transfer of any Warrant at the office of the Warrant Registrar duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Warrant Registrar and duly executed by, the registered owner or his or her attorney duly authorized in writing, the County shall execute and the Warrant Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Warrant or Warrants of authorized denominations, for the same purposes and for a like aggregate principal amount and having assigned to such Warrant or Warrants the same order-of-issuance numbers (the "OI-1," and so on), one for each \$1 portion, assigned as requested by the initial registered owner or, if no request is made, by the Warrant Registrar, and subject only to the requirement that Warrants of a denomination greater than \$1 must bear consecutive order-of-issuance numbers. A new registration number shall be assigned to each such Warrant. Any fully registered Warrant or Warrants may be exchanged at said office of the Warrant Registrar for a like aggregate principal amount of Warrant or Warrants for the same purposes and of other authorized denominations. The execution by the County of any fully registered Warrant shall constitute full and due authorization of such Warrant, and the Warrant Registrar shall thereby be authorized to authenticate, date and deliver such Warrant; *provided, however*, the principal amount of outstanding Warrants authenticated by the Warrant Registrar for each purpose shall not exceed the authorized principal amount of Warrants for such purpose.

The person in whose name any Warrant shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Warrant shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Warrant to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Warrants, but the County or the Warrant Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Warrants, except in the case of the issuance of a Warrant or Warrants for the unredeemed portion of a Warrant surrendered for redemption.

The Warrant Registrar shall not be required to transfer or exchange any Warrant during the period beginning at the close of business fifteen (15) days next preceding the maturity date of the Warrant, and ending on the maturity date of the Warrant, nor to transfer or exchange any Warrant after notice calling such Warrant for redemption has been mailed, nor during a period of five (5) days next preceding mailing of a notice of redemption of any Warrants.

Section 8. Sale of Warrants. The Warrants shall be executed by the officials of the County, as hereinabove provided, as soon as may be after this Resolution becomes effective, and shall be deposited with the Treasurer and, after due authentication by the Warrant Registrar, shall be delivered by said Treasurer to the purchaser thereof, namely, Hickory Point Bank and Trust, Champaign, Illinois (the "*Purchaser*"), upon receipt of the purchase price for the Warrants, being par. The contract for the sale of the Warrants (the "*Purchase Contract*") is hereby determined to be in the best interests of the County and no person holding any office of the County, either by election or appointment, is in any manner financially interested directly in his or her own name or indirectly in the name of any other person, association, trust, or corporation, in the Purchase Contract.

The officers of the Board and the County are hereby authorized to take any action as may be required on the part of the County to consummate the transactions contemplated by the Purchase Contract, this Resolution and the Warrants.

Section 9. Use of Proceeds; Property Tax Extension Limitation Law. The proceeds of the Warrants shall be used to provide funds for the payment of necessary expenses incurred for Nursing Home Fund purposes, and it is hereby certified that the Warrants constitute the only series of warrants or notes issued to provide funds for the payment of necessary expenses for such purposes for the year 2017 by the County pursuant to the provisions of the Act.

The County acknowledges that it is subject to the requirements of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "*Tax Limitation Law*"). If the County Clerk is required to reduce the County's aggregate extension (as defined in the Tax Limitation Law) for the year 2017 in accordance with the Tax Limitation Law, the County agrees that, in accordance with the Tax Limitation Law, it will direct the County Clerk to not reduce the 2017 extension for the Nursing Home Fund below the amount necessary to pay the principal of and interest on the Warrants.

Section 10. Tax Matters. The County hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Warrants) if taking, permitting or omitting to take such action would cause the interest on the Warrants not to be included in the gross income of the recipients thereof for federal income tax purposes.

Section 11. List of Warrantholders. The Warrant Registrar shall maintain a list of the names and addresses of the holders of all Warrants and upon any transfer shall add the name and address of the new Warrant holder and eliminate the name and address of the transferor Warrantholder.

Section 12. Duties of Warrant Registrar. The Warrant Registrar shall agree to the obligations and duties as follows:

- (a) to act as warrant registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to maintain a list of Warranholders as set forth herein and to furnish such list to the County upon request, but otherwise to keep such list confidential;
- (c) to give notice of redemption of the Warrants as provided herein;
- (d) to cancel and destroy Warrants which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;
- (e) to furnish the County a certificate of destruction with respect to the Warrants cancelled and destroyed; and
- (f) to furnish the County an audit confirmation of Warrants paid, Warrants outstanding and payments made with respect to interest on the Warrants.

Section 13. Further Acts. All acts and doings of the officials of the County which are in conformity with the purposes and intent of this Resolution are hereby in all respects ratified, approved, and confirmed.

Section 14. Severability. The provisions of this Resolution are hereby declared to be severable; and if any section, phrase, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, or provisions.

Section 15. Repealer. All resolutions or parts thereof in conflict herewith be and the same are hereby repealed, and this Resolution shall be in full force and effect forthwith upon its adoption.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Resolution No. 10187

Section 16. Effective Date. This Resolution shall be in full force and effect immediately upon its passage.

Adopted January 9, 2018.

C. Pius Weibel, Chair, County Board

Attest:

Gordy Hulten, County Clerk

EXHIBIT A

REGISTERED
NUMBER NH-1

REGISTERED
\$1,076,760

UNITED STATES OF AMERICA
STATE OF ILLINOIS
THE COUNTY OF CHAMPAIGN
TAXABLE 2017 NURSING HOME PURPOSES
TAX ANTICIPATION WARRANT

ORDER-OF-ISSUANCE NUMBERS O1-1 through
O1-1,076,760

See Reverse Side for
Additional Provisions

Interest Rate: 2.10% Maturity Date: September 28, 2018 Dated Date: January 25, 2018

Registered Owner: Hickory Point Bank and Trust

Principal Amount: One Million Seventy-Six Thousand Seven Hundred Sixty Dollars

KNOW ALL PERSONS BY THESE PRESENTS, that The County of Champaign, Illinois (the "County"), hereby acknowledges itself to owe and for value received, promises to pay solely from the funds hereinafter described to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the Dated Date hereof at the Interest Rate per annum set forth above on the Maturity Date hereof, and until said Principal Amount is paid. The principal of and interest on this Warrant are payable upon presentation in lawful money of the United States of America at the office of the County Treasurer, Urbana, Illinois, as warrant registrar and paying agent (the "Warrant Registrar").

Reference is hereby made to the further provisions of this Warrant set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified and recited that all conditions, acts, and things required by law to exist or to be done precedent to and in the issuance of this Warrant, did exist, have happened, been done and performed in regular and due form and time as required by law; that the total principal amount of the warrants issued for the payment of expenses for nursing home purposes for the year 2017, including the issue of which this Warrant is one, does not exceed eighty-five per cent (85%) of the tax levied for said purposes for the year 2017; and that the total amount of state aid anticipation certificates, general obligation notes and tax anticipation warrants of any kind of the County, issued under any of the laws of the State of Illinois applicable thereto, including the Act, outstanding for the fiscal year in which this Warrant is issued does not exceed 85% of the taxes levied for the year 2017.

This Warrant shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Warrant Registrar.

IN WITNESS WHEREOF, The County of Champaign, Illinois, by its County Board, has caused this Warrant to be signed by the manual or duly authorized facsimile signatures of the Chairman of said Board and the County Clerk and to be registered, numbered, and countersigned by the manual or duly authorized facsimile signature of the County Treasurer, and has caused the seal of the County to be affixed hereto or printed hereon, all as of the Dated Date identified above.

SPECIMEN
Chairman, County Board

[SEAL]

SPECIMEN
County Clerk

Registered, Numbered, and Countersigned:

SPECIMEN
County Treasurer

Date of Authentication: _____, 20__

CERTIFICATE
OF
AUTHENTICATION

Warrant Registrar and Paying Agent:
County Treasurer,
The County of Champaign, Illinois

This Warrant is one of the Warrants described in the within mentioned Resolution and is one of the Taxable 2017 Nursing Home Purposes Tax Anticipation Warrants of The County of Champaign, Illinois.

SPECIMEN
COUNTY TREASURER, as Warrant Registrar

THE COUNTY OF CHAMPAIGN, ILLINOIS
TAXABLE 2017 NURSING HOME PURPOSES
TAX ANTICIPATION WARRANT

This Warrant is issued pursuant to the Warrant and Jurors Certificate Act of the State of Illinois, as amended, and the Local Government Debt Reform Act of the State of Illinois, as amended (the "Act"), to provide funds for the payment of necessary expenses of the County for nursing home purposes, and is authorized by a resolution duly adopted by the County Board of the County (the "Resolution"), and now in full force and effect. This Warrant is payable in the numerical order of its issuance solely from the tax against which it is issued and shall be received by any collector of taxes in payment of the tax against which it is issued.

The Warrants are subject to redemption prior to maturity at the option of the County as a whole, or in part in integral multiples of \$1 as selected by the Warrant Registrar, on May 1, 2018, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

Notice of any such redemption shall be sent not less than five (5) days prior to the date fixed for redemption to the registered owner of each Warrant to be redeemed at the address shown on the registration books of the County maintained by the Warrant Registrar or at such other address as is furnished in writing by such registered owner to the Warrant Registrar. When so called for redemption, this Warrant will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

This Warrant is transferable by the Registered Owner hereof in person or by his or her attorney duly authorized in writing at the office of the Warrant Registrar in Urbana, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the authorizing Resolution, and upon surrender and cancellation of this Warrant. Upon such transfer a new Warrant or Warrants of authorized denominations and for the same purposes and aggregate principal amount will be issued to the transferee in exchange therefor.

The Warrants are issued in fully registered form of the denomination of \$1 each or authorized integral multiples thereof. This Warrant may be exchanged at the office of the Warrant Registrar for a like aggregate principal amount of other authorized denominations, upon the terms set forth in the Resolution. The Warrant Registrar shall not be required to transfer or exchange any Warrant during the period beginning at the close of business on the 15th day preceding any interest payment date on such Warrant and ending at the opening of business on such interest payment date, nor to transfer or exchange any Warrant after notice calling such Warrant for redemption has been mailed, nor during a period of five (5) days next preceding mailing of a notice of redemption of any Warrants.

The County and the Warrant Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the County nor the Warrant Registrar shall be affected by any notice to the contrary.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

the within Warrant and does hereby irrevocably constitute and appoint

_____ as attorney to transfer the said Warrant on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed: _____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Warrant in every particular, without alteration or enlargement or any change whatever.

County Board Member _____ moved and County Board Member _____ seconded the motion that said resolution as presented and read by title be adopted.

After a full discussion thereof, the Chairman directed that the roll be called for a vote upon the motion to adopt said resolution.

Upon the roll being called, the following County Board Members voted AYE: _____

The following County Board Members voted NAY: _____

Whereupon the Chairman declared the motion carried and said resolution adopted, approved and signed the same in open meeting and directed the County Clerk to record the same in the records of the County Board of The County of Champaign, Illinois, which was done.

Other business not pertinent to the adoption of said resolution was duly transacted at the meeting.

Upon motion duly made, seconded and carried, the meeting was adjourned.

County Clerk and ex-officio
Clerk of the County Board of
The County of Champaign, Illinois

STATE OF ILLINOIS)
) SS
COUNTY OF CHAMPAIGN)

CERTIFICATION OF RESOLUTION AND MINUTES

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Champaign, Illinois (the “*County*”), and that as such official I am the keeper of the records and files of the County Board thereof (the “*Board*”).

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Board held on the 9th day of January, 2018, insofar as same relates to the adoption of Resolution No. _____ entitled:

RESOLUTION authorizing the issuance of \$1,076,760 Taxable 2017 Nursing Home Purposes Tax Anticipation Warrants in anticipation of the collection of taxes levied for the year 2017, by the County Board of The County of Champaign, Illinois, for Nursing Home Fund purposes, and the sale of said warrants to Hickory Point Bank and Trust.

a true, correct and complete copy of which said resolution as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the County Board on the adoption of said ordinance were conducted openly, that the vote on the adoption of said ordinance was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the County Board at least 96 hours in advance of the holding of said meeting, that at least one copy of said agenda was continuously available for public review during the entire 96-hour period preceding said meeting, that a true, correct and complete copy of said agenda as so posted is attached hereto as *Exhibit A*, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the Counties Code of the State of Illinois, as amended, and that the County Board has complied with all of the provisions of said Act and said Code and with all of the procedural rules of the County Board.

Resolution No. 10187

IN WITNESS WHEREOF, I hereunto affix my official signature and seal of the County, this 9th day of January, 2018.

County Clerk, County Board,
The County of Champaign, Illinois

(SEAL)

RESOLUTION No. 10188

RESOLUTION AUTHORIZING RENEWAL OF LOAN RESOLUTIONS NUMBERED 9892 AND 10097 FROM THE CHAMPAIGN COUNTY GENERAL CORPORATE FUND TO THE NURSING HOME FUND

WHEREAS, the Champaign County Board authorized a short-term loan for a period ending no later than December 31, 2017 from the General Corporate Fund to the Nursing Home Fund in the amount of \$250,000 on March 14, 2017, Resolution #9892, for the purpose of fulfilling employee payroll and vendor account obligations; and

WHEREAS, distribution of \$250,000 was made, and the outstanding balance of the loan is \$250,000; and

WHEREAS, the Champaign County Board authorized a short-term loan from the General Corporate Fund to the Nursing Home Fund in the amount of \$250,000 on August 24, 2017, Resolution #10097, for the purpose of fulfilling employee payroll and vendor account obligations; and

WHEREAS, distribution of \$250,000 was made, and the outstanding balance of the loan is \$250,000; and

WHEREAS, the Nursing Home Fund requires renewal of the outstanding balance of the loans from the General Corporate Fund in the total amount of \$500,000 for a period no later than December 31, 2018; and

WHEREAS, the General Corporate Fund has access to reserves to renew these loans.

NOW, THEREFORE, BE IT RESOLVED that the Champaign County Board approves renewal of the outstanding balance of the aforementioned loans from the General Corporate Fund to the Nursing Home Fund in the total amount of \$500,000 with repayment of the loans to be made no later than December 31, 2018; and

BE IT FURTHER RESOLVED That the County Auditor and County Treasurer are hereby authorized and requested to document the renewal of said loans.

PRESENTED, ADOPTED, APPROVED, AND RECORDED this 9th day of January 2018.

C. Pius Weibel, Chair
Champaign County Board

ATTEST:

Gordy Hulten, Count Clerk and *Ex-Officio*
Clerk of the Champaign County Board