

RESOLUTION NO. 11-18

A RESOLUTION OF THE CAPITAL TRUST AGENCY EXPRESSING ITS INTENT TO ISSUE ONE OR MORE SERIES OF CAPITAL TRUST AGENCY SENIOR LIVING REVENUE BONDS, EITHER TAXABLE OR TAX-EXEMPT, OR BOTH, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$275,000,000 FOR THE PURPOSE OF FINANCING OR REFINANCING, INCLUDING THROUGH REIMBURSEMENT, THE COSTS OF THE PROJECT (AS HEREINAFTER DEFINED); AND APPROVING AND AUTHORIZING OTHER ACTIONS IN CONNECTION THEREWITH.

WHEREAS, American Eagle Lifecare Corporation, a Tennessee nonprofit corporation, and/or one or more related and/or affiliated entities (collectively, the "Borrower"), has represented that the Borrower, acting for itself or through its affiliates, plans to acquire, construct, renovate, install and equip, as well as own and operate the assisted living and memory care facilities more fully described on Schedule I hereto, which, by this reference thereto, is incorporated herein (each, a "Senior Living Facility" and collectively, the "Senior Living Facilities"), such facilities to be located in Alabama, Colorado, Florida, Ohio, Tennessee, Texas, Wisconsin and Minnesota; and

WHEREAS, the Capital Trust Agency (the "Agency") is a legal entity and public agency of the State of Florida (the "State"), organized and existing under the provisions of Chapter 163, Part I, Chapter 166, Part II, Chapter 617, Florida Statutes; Ordinance No. 5-97 duly enacted by the City Council of the City of Gulf Breeze, Florida (the "City"), on July 7, 1997, as amended, restated and supplemented; Ordinance No. 2-00 duly enacted by the Town Council of the Town of Century, Florida (the "Town"), on August 7, 2000, as amended and supplemented; an Interlocal Agreement dated as of August 2, 1999, between the City and the Town, as amended and supplemented, and with powers as a "local agency" under Chapter 159, Part II, Florida Statutes, and other applicable provisions of law (collectively the "Act"), and is empowered pursuant to the Act to issue revenue bonds for the purpose of providing funds to finance or refinance all or any part of the cost of any "project" (as defined in the Act); and

WHEREAS, the Borrower has requested the Agency issue its Senior Living Revenue Bonds in an amount not to exceed \$275,000,000 (the "Bonds") in one or more series, either taxable or tax-exempt, or both, and loan the proceeds thereof to the Borrower for the purpose of financing or refinancing, including through reimbursement, (i) the acquisition, construction, renovation, installation and equipping of the Senior Living Facilities to provide independent living, assisted living and memory care for the elderly, as applicable, (ii) the funding of an operating and maintenance fund to finance certain capital expenditures and start-up costs related to the Senior Living Facilities, (iii) the funding of one or more debt service reserve funds for the Bonds, and (iv) the payment of certain costs of issuing the Bonds (collectively, the "Project"); and

WHEREAS, subject to final approval of the Agency prior to such issuance, the Agency desires to issue the Bonds and desires to authorize certain officers to take certain actions in preparation for the marketing, sale and issuance of such Bonds; and

WHEREAS, it is the Agency's intent that this Resolution constitute an "official intent" within the meaning of Treasury Regulations Section 1.150-2 for the Agency to declare its intent to use proceeds of the Bonds to reimburse prior capital expenditures of the Borrower in connection with financing the Senior Living Facilities;

NOW, THEREFORE, BE IT RESOLVED by the governing board of the Agency that:

Section 1. The Agency hereby expresses its intent to issue the Bonds in one or more series, either taxable or tax-exempt, or both, in an aggregate principal amount not to exceed \$275,000,000 under and pursuant to the Act, and to loan the proceeds thereof to the Borrower for the purpose of financing or refinancing, including through reimbursement, the Project, subject to the final approval of the terms and conditions thereof by the Agency.

Section 2. The officers, officials, Executive Director and the attorney for the Agency, Foley & Lardner LLP, bond counsel ("Bond Counsel"), and Bryant Miller Olive P.A., special counsel for the Agency, are hereby authorized, jointly and severally, to cooperate with the Borrower in obtaining the required approval of the Bonds by the applicable elected representative of the host jurisdictions in which the Senior Living Facilities are located, after notice and a public hearing for the purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code").

Section 3. The Bonds shall be sold at negotiated sale to Piper Jaffray & Co., or such other purchaser or underwriter selected by the Borrower and approved by the Agency as purchaser or underwriter with respect to the Bonds. There is hereby acknowledged at the appropriate time, if necessary, the distribution of a preliminary offering document to potential purchasers of the Bonds, upon approval of the information attributable to the Agency in the form thereof by the Chairman, the Executive Director or each of their designees.

Section 4. The officers, officials, attorneys and agents of the Agency are hereby authorized and directed, jointly and severally, to take such actions as they may deem necessary or advisable to assist in the marketing, sale, issuance and administration of the Bonds and otherwise effectuate the purposes of this Resolution. All actions heretofore taken by the officers of the Agency for such purposes are hereby confirmed and ratified.

Section 5. Nothing herein shall obligate the Agency to issue the Bonds if, at any time prior to the sale thereof by the Agency to the purchaser or underwriter thereof, the Agency shall determine that it is not in the public interest or the interest of the Agency to proceed with the issuance of the Bonds for any reason whatsoever, including, without limitation, the marketing plan for the sale of the Bonds to investors.

Section 6. It is the intention of the Agency to issue the Bonds pursuant to the Act to create a financing program to make loans to assist in financing or refinancing projects meeting the criteria set forth in the Act, which loans shall mature not later than the final maturity of the applicable series of the Bonds. The amounts to be held in any reserve fund, any loan fund, amounts to be received from the repayment of principal of and interest on the loans, the income to be derived from the investment thereof and any other available moneys under the financing program for the Senior Living Facilities are expected to be sufficient to pay the debt service on the Bonds.

Section 7. The Executive Director of the Agency is hereby authorized to execute the Agency's letter or letters addressed to the Borrower in substantially the form attached to this Resolution as Exhibit A, which by this reference thereto, is incorporated herein, with such changes therein, whether made prior to the execution thereof or thereafter, as shall be approved from time to time by the Executive Director on behalf of the Agency.

Section 8. The Agency hereby authorizes Bond Counsel and the attorneys for the

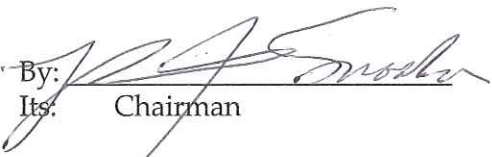
Agency to take all necessary action to validate the Bonds under Chapter 75, Florida Statutes, if such action shall be deemed necessary or appropriate by such counsel. The appropriate officials of the Agency are hereby authorized to provide such assistance, take such action, and execute and deliver on behalf of the Agency such documents or instruments as may be necessary or required in connection with any validation of the Bonds or satisfaction of any conditions therefor. Notwithstanding the foregoing, the Agency acknowledges that it has validated bonds for qualifying purposes, and some of such validated bonds may be allocated to the Bonds.

Section 9. This Resolution shall take effect immediately upon its adoption.

Adopted on July 17, 2018.



CAPITAL TRUST AGENCY

By: 
Its: Chairman

ATTEST:

By: 
Its: Secretary

CERTIFICATE OF SECRETARY

I, Robert F. Cleveland, Secretary of Capital Trust Agency, Santa Rosa County, Florida, do hereby certify that the above and foregoing is a true and correct copy of Resolution No. 11-18 and its supporting exhibit as the same was duly adopted and passed at a public meeting of the Board of Directors of the Capital Trust Agency on the 17th day of July, 2018, and as the same appears on record in my office.

IN WITNESS WHEREOF, I hereunto set my hand and official seal this 17 day of July, 2018.

CAPITAL TRUST AGENCY

By: 
Its: Secretary



EXHIBIT A
FORM OF LETTER

[CTA Letterhead]

July __, 2018

American Eagle Lifecare Corporation
3819 Hawk Crest Road
Ann Arbor, MI 48103

Re: Proposed (i) acquisition, construction, renovation, installation and equipping by the Borrower (as hereinafter defined), of senior living facilities more fully described on Schedule I to Resolution No. 11-18 adopted by the Agency (as hereinafter defined) on July 17, 2018 (the "Inducement Resolution") (each a "Senior Living Facility" and collectively, the "Senior Living Facilities"), (ii) funding of an operating and maintenance fund to finance certain capital expenditures and start-up costs related to the Senior Living Facilities, (iii) funding of one or more debt service reserve funds for the Bonds, and (iv) payment of certain costs of issuing the Bonds (collectively, the "Project"), with revenue bonds issued by the Agency.

Ladies and Gentlemen:

Based upon recent discussions with representatives of American Eagle Lifecare Corporation, a Tennessee nonprofit corporation, and/or one or more related and/or affiliated entities (collectively, the "Borrower"), it is the understanding of the officials and representatives of the Capital Trust Agency (the "Agency"), that: (i) the Borrower is currently undertaking the acquisition, construction, renovation, installation and equipping of the above-referenced Senior Living Facilities, a portion of the cost of which will be financed or refinanced, including through reimbursement, with Senior Living Revenue Bonds of the Agency in an aggregate principal amount not to exceed \$275,000,000 (the "Bonds"); (ii) the acquisition, construction, renovation, installation and equipping of the Senior Living Facilities by the Borrower will provide health care facilities within the meaning of the Act (as defined in the Inducement Resolution), advance the public purposes of the Act, provide safe, decent and accessible living facilities for the elderly, improve living conditions and provide and preserve employment in the communities where the Senior Living Facilities are located; and (iii) the willingness of the Agency to issue and sell the Bonds for the purpose of financing or refinancing, including through reimbursement, the Project is an important factor under consideration by the Borrower in determining the extent of the feasibility of the Senior Living Facilities.

The Agency has determined that the Agency's issuance of the Bonds to assist the Borrower by financing or refinancing, including through reimbursement, such Project will promote the public purposes for which the Agency was created, will enable the Borrower to serve a public purpose by providing needed senior living facilities and increasing the bargaining power of the Borrower to obtain favorable financing for its senior living programs, and will promote and advance the economic prosperity, living conditions and the general welfare of the State of Florida (the "State") and its people. Neither this letter nor the

Inducement Resolution constitutes final authorization to issue the Bonds. Final approval will be in the form of an authorizing resolution that must be approved upon receipt of the finalized plan of finance and substantially complete bond and offering documents acceptable to the Agency.

Accordingly, in order to induce the Borrower to incur expenses for the initiation of such Senior Living Facilities and its financing or refinancing, the Agency hereby makes the following proposal:

1. The Agency will, subject to the requirements of applicable law and financial feasibility, issue the Bonds in one or more series or installments, either taxable or tax-exempt, or both, totaling in the aggregate principal amount a sum not to exceed \$275,000,000 for the purpose of paying, financing or refinancing the cost of the Project. The Bonds will be secured by the source of security provided for in the financing documents for the Bonds, and will be issued in one or more series, either taxable or tax exempt, or both, in such aggregate principal amount, mature at such times, bear interest at such rates and be subject to such other terms and have such security as shall be agreed upon between the Agency and the Borrower.

2. The Agency and the Borrower will enter one or more loan agreements (collectively, the "Agreement") which shall provide for the loan of the proceeds from the sale of the Bonds to the Borrower, for the financing or refinancing of the Project (including eligible reimbursement to the Borrower for costs of the Senior Living Facilities incurred prior to the delivery of the Agreement) and repayment of such loan by the Borrower. The installment payments to be made by the Borrower in repayment of the loan pursuant to the Agreement shall be pledged to the payment of the principal of, interest on and redemption premium, if any, applicable to the Bonds and the fees and expenses of the trustee. The loan installments shall be fully sufficient to pay the cost of the Senior Living Facilities, the cost and expenses of financing or refinancing the same and the fees and expenses of the Borrower, the trustee and the Agency related thereto.

3. The Agency will cooperate in the prompt preparation of the Agreement and the necessary resolutions for the authorization and sale of the Bonds and, to the extent the Bonds are not allocated to any series of Bonds already validated, will promptly proceed with validation of the Bonds in the appropriate Circuit Court, pursuant to the provisions of Chapter 75, Florida Statutes, if, in the opinion of bond counsel for the Agency or the Agency's attorneys, such validation proceedings are necessary or desirable.

4. Upon delivery of the Bonds, the provisions of this proposal and the agreement resulting from its acceptance by the Borrower shall have no further effect, and in the event of any inconsistency between the terms of this proposal and the terms of the Agreement in the form in which it shall be finally approved by resolution of the Agency, the provisions of the Agreement as so approved shall control.

5. Upon acceptance by the Borrower, the Agency shall keep open and outstanding this commitment and inducement to the Borrower for a reasonable time so long as the Borrower shall be proceeding with appropriate efforts toward conclusion of any arrangements necessary to the financing or refinancing, including through reimbursement, of the Senior Living Facilities; provided, however, if for any reason (other than that which shall be the fault of the Agency) the Bonds are not delivered to the purchaser or purchasers thereof by July 1, 2019, then the provisions of this proposal and the agreement resulting from its acceptance by the Borrower may be cancelled at any time thereafter, at the option of the Agency and without notice to the Borrower, by resolution of the Agency, duly adopted. In such event, or in the

event of its earlier cancellation by agreement between the Borrower and the Agency, neither party shall have any rights against the other and no third party shall have any rights against either party except:

(a) the Borrower and its members will pay to the Agency the amount of all expenses which shall have been incurred by the Agency in connection with the Project (expenses incurred related to travel to project sites and TEFRA hearings will be invoiced monthly for payment upon receipt);

(b) the Borrower will assume and be responsible for all contracts entered into by the Agency at the request of the Borrower in connection with the Project; and

(c) the Borrower and its members will pay the out-of-pocket expenses of officials and representatives of the Agency and counsel for the Agency incurred in connection with the financing or refinancing of the Senior Living Facilities and will pay counsel for the Agency, Foley & Lardner LLP, bond counsel, and Bryant Miller Olive P.A., special counsel to the Agency, a reasonable retainer and legal fees for legal services related to the issuance of the Bonds or the financing or refinancing of the Senior Living Facilities, whether or not the financing or refinancing actually closes.

6. The Borrower shall have responsibility to arrange for the purchase of the Bonds by investors or an underwriter acceptable to the Agency and the payment of all costs of issuing the Bonds, and such Bonds shall only be offered and marketed in accordance with the applicable securities laws and such offering limitations as may be approved by the Agency.

7. The Agency shall not be obligated to pay any of the Bonds or the interest thereon from any funds of the Agency derived from any source other than the Agreement, and each Bond shall contain a statement to that effect upon its face. The Agency shall not be required to incur any expense with respect to the Senior Living Facilities or the Bonds unless requested to do so by the Borrower, in which event the Borrower hereby agrees to reimburse the full amount of such expense to the Agency, and the Agency may require payment to it of such amount as a prerequisite to its incurring any such expense. The Borrower, in accepting this proposal, hereby agrees to pay the annual fees of the Agency and agrees to indemnify and defend the Agency and its officials, employees, attorneys and agents and the members of the governing board of the Agency, and hold the Agency and its officials, employees, attorneys and agents and the members of the governing board of the Agency, harmless against any and all claims, losses, liabilities or damages to property or any injury or death of any person or persons occurring in connection with the acquisition, construction, renovation, installation, equipping and operation of the Senior Living Facilities by or on behalf of the Borrower, or in any way growing out of or resulting from this proposal (upon its becoming an agreement if accepted) or from the issuance, sale or delivery of the Bonds, including, but not limited to, liabilities arising under the Internal Revenue Code of 1986, as amended, the Securities Act of 1933, the Securities Exchange Act of 1934 or any applicable securities law of the State, including, without limitation, all costs and expenses of the Agency, including reasonable attorneys' fees, incurred in the enforcement of any agreement of the Borrower herein contained or in the Agreement. Any provision hereof to the contrary notwithstanding, the obligations of the Borrower under this section shall survive the termination of this agreement.

8. The Borrower shall comply with all requirements and pay all costs and expenses as may be required of the Borrower or the Agency pursuant to all applicable approvals by, or any interlocal agreements between, the Agency and any applicable public agencies having jurisdiction over the Senior Living Facilities.

9. As a condition of any future submittal to the Agency for an authorizing resolution to issue the Bonds, substantially final documents must be delivered to the Agency 14 calendar days before a scheduled board meeting date. When applicable, the Agency will require a feasibility study, sources and uses of funds, historical financial statements, and pro forma statements in addition to the indenture, loan or financing agreement and preliminary offering document in substantially completed forms.

If this proposal shall be satisfactory to the Borrower, please have the acceptance statement which follows this proposal executed by the proper officers of the Borrower on behalf of itself duly authorized and provide an executed copy to the Agency, whereupon this proposal will constitute an agreement in principle with respect to the matters herein contained.

Yours very truly,

CAPITAL TRUST AGENCY

(SEAL)

By: _____
Ed Gray, III, Executive Director

[Acceptance by Borrower Follows]

Acceptance by Borrower

The terms and conditions contained in the foregoing proposal by the governing board of the Agency are hereby accepted as obligations of the Borrower, as of this ____ day of July, 2018.

AMERICAN EAGLE LIFECARE CORPORATION,
a Tennessee nonprofit corporation

By: _____
Name: Scott Kellman
Its: Chief Executive Officer

WITNESS:

SCHEDULE I

The Senior Living Facilities consist of the acquisition, construction, renovation, installation and equipping of the following, together with the acquisition and installation of related facilities, fixtures, furnishings and equipment:

(a) a senior living community known as Brookdale Hanceville, located on approximately 3.50 acres at 105 Michelle Street North West, Hanceville, Cullman County, Alabama, including land, buildings and equipment, consisting of approximately 47 assisted living units (including approximately 47 beds) (collectively, the "Hanceville Project");

(b) a senior living community known as Brookdale Palmer Park, located on approximately 9.91 acres at 2850 North Academy Boulevard, Colorado Springs, El Paso County, Colorado, including land, buildings and equipment, consisting of approximately 60 memory care units (including approximately 74 beds) (collectively, the "Colorado Springs Project");

(c) a senior living community known as Brookdale Leesburg, located on approximately 3.00 acres at 700 and 710 South Lake Street, Leesburg, Lake County, Florida, including land, buildings and equipment, consisting of approximately 73 assisted or memory care units (including approximately 78 beds) (collectively, the "Leesburg Project");

(d) a senior living community known as Brookdale Venice Island, located on approximately 3.03 acres at 1200 Avenida del Circo, Venice, Sarasota County, Florida, including land, buildings and equipment, consisting of approximately 42 memory care units (including approximately 42 beds) (collectively, the "Venice Project");

(e) a senior living community known as Brookdale Titusville, located on approximately 16.07 acres at 1800 Harrison Street, Titusville, Brevard County, Florida, including land, buildings and equipment, consisting of approximately 124 assisted living or memory care units (including approximately 134 beds) (collectively, the "Titusville Project");

(f) a senior living community known as Brookdale Eau Gallie, located on approximately 6.00 acres at 2680 Croton Road, Melbourne, Brevard County, Florida, including land, buildings and equipment, consisting of approximately 72 assisted living units (including approximately 74 beds) (collectively, the "Melbourne Project");

(g) a senior living community known as Brookdale New Port Richey, located on approximately 4.77 acres at 6400 Trouble Creek Road, in unincorporated Pasco County, Florida, including land, buildings and equipment, consisting of approximately 195 assisted living or memory care units (including approximately 219 beds) (collectively, the "New Port Richey Project");

(h) a senior living community known as Brookdale Tuskawilla, located on approximately 2.87 acres at 1016 Willa Springs Drive, in unincorporated Seminole County, Florida, including land, buildings and equipment, consisting of approximately 64 assisted living or memory care units (including approximately 82 beds) (collectively, the "Winter Springs Project");

(i) a senior living community known as Brookdale Brandon, located on approximately 4.79 acres at 700 South Kings Avenue, in unincorporated Hillsborough County, Florida, including land, buildings and equipment, consisting of approximately 88 assisted living units (including approximately 96 beds) (collectively, the "Brandon Project");

(j) a senior living community known as Brookdale Island Lake, located on approximately 14.64 acres at 160 Islander Court, Longwood, Seminole County, Florida, including land, buildings and equipment, consisting of approximately 267 independent living or assisted living units (including approximately 327 beds) (collectively, the "Longwood Project");

(k) a senior living community known as Brookdale Owatonna, located on approximately 2.84 acres at 334 and 364 Cedardale Drive Southeast, Owatonna, Steele County, Minnesota, including land, buildings and equipment, consisting of approximately 43 assisted living or memory care units (including approximately 46 beds) (collectively, the "Owatonna Project");

(l) a senior living community known as Brookdale Newark, located on approximately 2.41 acres at 331 Goosepond Road, Newark, Licking County, Ohio, including land, buildings and equipment, consisting of approximately 42 assisted living units (including approximately 42 beds) (collectively, the "Newark Project");

(m) a senior living community known as Brookdale Ravenna, located on approximately 5.57 acres at 141 Chestnut Hills Drive, Ravenna, Portage County, Ohio, including land, buildings and equipment, consisting of approximately 50 assisted living or memory care units (including approximately 53 beds) (collectively, the "Ravenna Project");

(n) a senior living community known as Brookdale Kingston, located on approximately 2.30 acres at 1098 Bradford Way, Kingston, Roane County, Tennessee, including land, buildings and equipment, consisting of approximately 39 assisted living units (including approximately 47 beds) (collectively, the "Kingston Project");

(o) a senior living community known as Brookdale Hendersonville, located on approximately 6.62 acres at 202 Walton Ferry Road, Hendersonville, Sumner County, Tennessee, including land, buildings and equipment, consisting of approximately 136 independent living or assisted living units (including approximately 159 beds) (collectively, the "Hendersonville Project");

(p) a senior living community known as Brookdale Castle Hills, located on approximately 11.76 acres at 1207 Jackson Keller Road, Castle Hills, Bexar County, Texas, including land, buildings and equipment, consisting of approximately 97 assisted living or memory care units (including approximately 99 beds) (collectively, the "Castle Hills Project"); and

(q) a senior living community known as Brookdale Pleasant Prairie, located on approximately 3.63 acres at 7377 88th Avenue, in unincorporated Kenosha County, Wisconsin, including land, buildings and equipment, consisting of approximately 48 assisted living units (including approximately 48 beds) (collectively, the "Kenosha Project" and, together with the other projects described in paragraph (a) – (p) above, the "Senior Living Facilities").