

RESOLUTION NO. 2021-214

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, APPROVING THE ISSUANCE BY THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY OF ITS NOT TO EXCEED \$125,000,000 SENIOR LIVING REVENUE BONDS (VICAR'S LANDING PROJECT), SERIES 2021 IN ONE OR MORE SERIES FOR THE PURPOSES DESCRIBED HEREIN PURSUANT TO CHAPTERS 125 AND 159, FLORIDA STATUTES, AS AMENDED, AND SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the St. Johns County Industrial Development Authority (hereafter, the "Authority") is a public body corporate and politic duly created and existing as a local governmental body and is authorized and empowered by Chapter 159, Parts II and III, Florida Statutes, as amended (the "Act"), to make and execute financing agreements, contracts, deeds and other instruments necessary or convenient for the purpose of facilitating the financing and refinancing of the acquisition, construction and equipping of projects, as defined in the Act, including machinery, equipment, land, rights in land and other appurtenances and facilities related thereto, to the end that the Authority may be able to promote the health and economic growth of St. Johns County (the "County") and the State of Florida, increase opportunities for gainful employment and otherwise contribute to the health and welfare of the State of Florida and its inhabitants, and to finance the cost of such projects by the issuance of revenue bonds; and

WHEREAS, on April 12, 2021, the Authority adopted its resolution (the "Authority Resolution") authorizing the issuance by the Authority of its not to exceed \$125,000,000 Senior Living Revenue Bonds (Vicar's Landing Project), Series 2021A and B (the "2021 Bonds"), the proceeds of which will be loaned to Life Care Ponte Vedra, Inc. (the "Corporation"), the owner of the Vicar's Landing continuing care community located in St. Johns County (i) providing funds to refund certain bonds issued by the Authority, the proceeds of which were loaned to the Corporation for the purpose of financing and refinancing improvements to the Corporation's continuing care retirement facilities located at 1000 Vicar's Landing Way, Ponte Vedra Beach, Florida 32082 (the "Existing Campus"); (ii) finance and refinance the acquisition, construction, improvement and equipping of land and capital improvements to and expansions of the Corporation's continuing care retirement community on an approximately 40-acre parcel of land located approximately one-half of one mile northeast of the Existing Campus, with a temporary address of 690 A1A North, Ponte Vedra Beach, Florida 32082 (the "Vicar's Landing at Oak Bridge Project"); (iii) fund a debt service reserve fund for the 2021 Bonds; and (iv) pay the costs of issuance of the 2021 Bonds; all subject to approval by the Board of County Commissioners of the County (the "Board"); and

WHEREAS, it is expected that \$25,000,000 aggregate principal amount of the 2021 Bonds will be allocated to the refinancing of projects at the Existing Campus and \$100,000,000 aggregate principal amount of the 2021 Bonds will be allocated to the financing and refinancing of costs related to the Vicar's Landing at Oak Bridge Project; and

WHEREAS, the Authority has advised the Board that Section 147(f) of the Internal Revenue Code of 1986, as amended (hereinafter referred to as the "Code") requires public approval of certain private activity bonds by an applicable elected representative or governmental unit following a public hearing and the Board constitutes an applicable elected representative or governmental unit; and

WHEREAS, the Authority has advised the Board that pursuant to Section 147(f) of the Code, a public hearing was scheduled before the Authority for March 8, 2021, and notice of such hearing was published in The St. Augustine Record, a newspaper of general circulation in the County, at least seven days prior to such hearing date, a copy of which is attached hereto as Exhibit A; and

WHEREAS, the Authority has advised the Board that the Authority did on March 8, 2021, hold the public hearing and provided at such hearing reasonable opportunity for all interested individuals to express their views, both orally and in writing, on the issuance of the 2021 Bonds and the location and nature of the Existing Campus and the Vicar's Landing at Oak Bridge Project for the purposes stated above; and

WHEREAS, the Authority has provided the Board with a report with respect to the hearing so the Board may diligently and conscientiously consider all comments and concerns expressed at the hearing, a copy of which is attached hereto as Exhibit B; and

WHEREAS, the Board desires to express its approval of the issuance of the 2021 Bonds as required by Section 147(f) of the Code and pursuant to Section 125.01(1)(z), Florida Statutes;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA:

SECTION 1. NO INDEBTEDNESS OF COUNTY. The 2021 Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of the County, the Authority, the State of Florida or any political subdivision or agency thereof but shall be payable solely from the revenues pledged therefor pursuant to one or more loan or financing agreements to be entered into by and between the Authority and the Corporation prior to or contemporaneously with the issuance of the 2021 Bonds.

SECTION 2. 2021 BONDS APPROVED. The Board hereby approves, within the meaning of Section 147(f) of the Code and Section 125.01(1)(z), Florida Statutes, the issuance by the Authority, of its not to exceed \$125,000,000 Senior Living Revenue Bonds (Vicar's Landing

Project), Series 2021 in one or more series for the purposes stated above. The approval given herein shall not be construed as (i) an endorsement of the creditworthiness of the Corporation or the financial viability of the Corporation's continuing care retirement facilities, (ii) a recommendation to any prospective purchaser to purchase the 2021 Bonds, (iii) an evaluation of the likelihood of the repayment of the debt service on the 2021 Bonds, or (iv) approval of any development, building or other regulatory permits relating to the Existing Campus or the Vicar's Landing at Oak Bridge Project, and the Board shall not be construed by reason of its execution and delivery of this Resolution to make any such endorsement or recommendation or to have waived any rights the County may have in connection with the Existing Campus or the Vicar's Landing at Oak Bridge Project. Further, the approval by the Board of the issuance of the 2021 Bonds by the Authority shall not be construed to incur any liability, pecuniary or otherwise, on the part of the County in connection with either the issuance of the 2021 Bonds or the Existing Campus or the Vicar's Landing at Oak Bridge Project. The approval given herein is given solely for the purpose of satisfying the provisions of Section 147(f) of the Code.

SECTION 3. REPEALING CLAUSE. All resolutions or parts thereof of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED: This 18 day of May, 2021.

**BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA**

(SEAL)

Attest: Brandon J. Patty, Clerk of the Circuit
Court & Comptroller

By: _____

Jeremiah R. Blocker, Chair

By: _____

RENDITION DATE 5/20/21



EXHIBIT A

Attach Affidavit of Publication

THE ST. AUGUSTINE RECORD
Affidavit of Publication

BRYANT MILLER OLIVE P.A.
1301 RIVERPLACE BLVD. SUITE 2101

JACKSONVILLE, FL 32207

ACCT: 55141

AD# 0003341460-01

PO# PUBLIC HEARING AND MEETING

PUBLISHED EVERY MORNING SUNDAY THROUGH SATURDAY
ST. AUGUSTINE AND ST. JOHNS COUNTY, FLORIDA

STATE OF FLORIDA
COUNTY OF ST. JOHNS

Before the undersigned authority personally appeared MELISSA RHINEHART who on oath says he/she is an Employee of the St. Augustine Record, a daily newspaper published at St. Augustine in St. Johns County, Florida; that the attached copy of advertisement being a **NOTICE OF HEARING** in the matter of Public Hearing and Meeting, 3-8-2021 was published in said newspaper on 03/01/2021.

Affiant further says that the St. Augustine Record is a newspaper published at St. Augustine, in St. Johns County, Florida, and that the said newspaper heretofore has been continuously published in said St. Johns County, Florida each day and has been entered as second class mail matter at the post office in the City of St. Augustine, in said St. Johns County, Florida for a period of one year preceding the first publication of the attached copy of advertisement; and affiant further says the he/she has neither paid nor promised any person, firm or corporation any discount, rebate, commission, or refund for the purpose of securing this advertisement for publication in said newspaper.

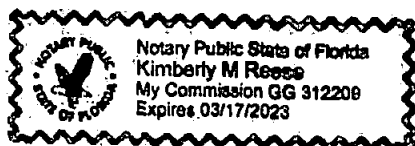
Sworn to (or affirmed) and subscribed before me by means of

☒ physical presence or
☐ online notarization

this _____ day **MAR 01 2021**

by *Bryant Miller Olive* who is personally known to
me or who has produced as identification

Kimberly M. Reese
(Signature of Notary Public)



NOTICE OF PUBLIC HEARING AND
MEETING OF THE ST. JOHNS
COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

To Whom It May Concern:

For the purpose of Section 147.05 of the Internal Revenue Code of 1986, as amended, notice is hereby given that the St. Johns County Industrial Development Authority (the "Authority") will hold a public hearing, to be conducted by the Authority, its Chairman or his designee, with respect to the contemplated issuance and sale of not exceeding \$140,000,000 Senior Living Revenue and Revenue Refunding Bonds, (Vicar's Landing Project), Series 2021 (the "Bonds"), in one or more series of qualified 501(c)(2) bonds, by the Authority. The hearing is open to the public and will be held on March 8, 2021, beginning at 7:00 p.m., or as soon thereafter as such matters may be heard, in the Auditorium, County Administration Building, 500 San Sebastian View, St. Augustine, Florida 32084, following which the Authority will hold a public meeting regarding authorization of the Bonds. Persons not wishing to attend in person may attend by phone, by calling (904) 209-3285.

The proceeds of the Bonds will be loaned to Life Care Ponte Vedra, Inc. (the "Corporation") and used to (1) refund certain bonds issued by the Authority, the proceeds of which were loaned to the Corporation for the purpose of financing and refinancing improvements to the Corporation's continuing care retirement facilities located at 1800 Vicar's Landing Way, Ponte Vedra Beach, Florida 32082 (the "Existing Campus"); (2) finance and refinance the acquisition, construction, improvement and equipping of land and capital improvements to and expansions of the Corporation's continuing care retirement community on an approximately 10-acre parcel of land located approximately one-half of one mile northeast of the Existing Campus, with a temporary address of 630 Alhambra North, Ponte Vedra Beach, FL 32082 (the "Vicar's Landing at Oak Bridge Project"); (3) fund a debt service reserve fund for the Bonds; and (4) pay the costs of issuance of the Bonds. It is expected that \$30,000,000 aggregate principal amount of the Bonds will be allocated to the refinancing of projects at the Existing Campus, and \$110,000,000 aggregate principal amount of the Bonds will be allocated to the financing and refinancing of costs related to the Vicar's Landing at Oak Bridge Project. The expanded and modified health care facilities will be owned and operated by the Corporation.

THE BONDS WILL NOT CONSTITUTE A DEBT OF THE STATE OF FLORIDA OR ST. JOHNS COUNTY, FLORIDA, but will be payable solely from payments made and/or other sources provided by the Corporation to the Authority under and pursuant to one or more Loan Agreements to be entered into between the Authority and the Corporation, the Corporation's obligations under which will be evidenced by master indenture notes to be issued under a Master Trust Indenture to be entered into by the Corporation, as the Obligor and Initial Member of the Obligated Group, and U.S. Bank, National Association, as Master Trustee.

Interested members of the public are invited to attend. The public hearing will be conducted in a manner that provides a reasonable opportunity to be heard for persons with differing views, both orally and in writing, on the proposed issuance of the Bonds and the plan of financing. Any person desiring to be heard on this matter is requested to attend the public hearing or send a representative. Written comments (not exceeding 250 words) to be presented at the hearing may be submitted to the St. Johns County Industrial Development Authority at the St. Johns County Administration Building, 500 San Sebastian View, St. Augustine, Florida 32084, in care of Jennifer Zuberer, Economic Development Specialist, and further information relating to this matter is available for inspection and copying during regular business hours at the office of Jennifer Zuberer, Economic Development Specialist, at the St. Johns County Administration Building, 500 San Sebastian View, St. Augustine, Florida 32084.

Comments made at the hearing are for the consideration of the Authority and the Board of County Commissioners (the "Board") of St. Johns County, Florida, and will not bind any legal action to be taken by the Authority or the Board in connection with the consideration

and approval of the financing and the issuance of the bonds.

PERSONS ARE ADVISED THAT IF THEY DECIDE TO APPEAL ANY DECISION MADE BY THE AUTHORITY WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH HEARING OR MEETING, SUCH PERSON WILL NEED A RECORD OF THE PROCEEDINGS, AND, FOR SUCH PURPOSE, SUCH PERSON MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

NOTICE TO PERSONS NEEDING SPECIAL ACCOMMODATIONS AND TO ALL HEARING IMPAIRED PERSONS: In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate in the proceedings should contact ADA Coordinator, at (804) 209-0650 at the St. Johns County Administration Building, 890 San Sebastian Vero, St. Augustine, FL 32059. For hearing impaired individuals: Florida Relay Service: 1-800-933-8770, no later than 5 days prior to the date of the meeting.

Dated: March 1, 2021

ST. JOHNS COUNTY
INDUSTRIAL DEVELOPMENT
AUTHORITY
ST. JOHNS COUNTY, FLORIDA

By: Geoffrey B. Dobson, Esq.

Attorney
0003341400, March 1, 2021

Mon, Mar 1, 2021
11:02:26AM

Legal Ad Invoice

The St. Augustine Record

Send Payments to:
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St. Augustine, FL 32086

Acct: 55141
Phone: 9043841264
E-Mail:
Client: BRYANT MILLER OLIVE P.A.

Name: BRYANT MILLER OLIVE P.A.
Address: 1301 RIVERPLACE BLVD. SUITE 2101

City: JACKSONVILLE **State:** FL **Zip:** 32207

Ad Number: 0003341460-01
Start: 03/01/2021
Placement: SA Legals
Copy Line: NOTICE OF PUBLIC HEARING AND MEETING OF THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Caller: Will Milford
Issues: 1
Rep: Candace ISC-Wendricks

Paytype: BILL
Stop: 03/01/2021

Mon, Mar 1, 2021
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The St. Augustine Record

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St. Augustine, FL 32086

Lines	170
Depth	14.25
Columns	1
Price	\$255.79

NOTICE OF PUBLIC HEARING AND MEETING OF THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

To Whom It May Concern:

For the purpose of Section 147(1) of the Internal Revenue Code of 1986, as amended, notice is hereby given that the St. Johns County Industrial Development Authority (the "Authority") will hold a public hearing, to be conducted by the Authority, its Chairman or his designee, with respect to the contemplated issuance and sale of not exceeding \$140,000,000 Senior Living Revenue and Revenue Refunding Bonds, (Vicar's Landing Project), Series 2021 (the "Bonds"), in one or more series of qualified 201(c)(3) bonds, by the Authority. The hearing is open to the public and will be held on March 8, 2021, beginning at 3:00 p.m., or as soon thereafter as such matters may be heard, in the Auditorium, County Administration Building, 500 San Sebastian View, St. Augustine, Florida 32084, following which the Authority will hold a public meeting regarding authorization of the Bonds. Persons not wishing to attend in person may attend by phone, by calling (904) 209-1264.

The proceeds of the Bonds will be loaned to Life Care Ponte Vedra, Inc. (the "Corporation") and used to (1) refund certain bonds issued by the Authority, the proceeds of which were loaned to the Corporation for the purpose of financing and refinancing improvements to the Corporation's continuing care retirement facilities located at 1000 Vicar's Landing Way, Ponte Vedra Beach, Florida 32082 (the "Existing Campus"); (2) finance and refinance the acquisition, construction, improvement and equipping of land and capital improvements to and expansions of the Corporation's continuing care retirement community on an approximately 40-acre parcel of land located approximately one-half of one mile northeast of the Existing Campus, with a temporary address of 690 Alca North, Ponte Vedra Beach, FL 32082 (the "Vicar's Landing at Oak Bridge Project"); (3) fund a self-service reserve fund for the Bonds; and (4) pay the costs of issuance of the Bonds. It is expected that \$30,000,000 aggregate principal amount of the Bonds will be allocated to the refinancing of projects at the Existing Campus and \$110,000,000 aggregate principal amount of the Bonds will be allocated to the financing and refinancing of costs related to the Vicar's Landing at Oak Bridge Project. The expanded and modified health care facilities will be owned and operated by the Corporation.

THE BONDS WILL NOT CONSTITUTE A DEBT OF THE STATE OF FLORIDA OR ST. JOHNS COUNTY, FLORIDA, but will be payable solely from payments made and/or other sources provided by the Corporation to the Authority under and pursuant to one or more Loan Agreements to be entered into between the Authority and the Corporation, the Corporation's obligations under which will be evidenced by master indenture notes to be issued under a Master Trust Indenture to be entered into by the Corporation, as the Obligor and Initial Member of the Obligated Group, and U.S. Bank, National Association, as Master Trustee.

Interested members of the public are invited to attend. The public hearing will be conducted in a manner that provides a reasonable opportunity to be heard for persons with differing views, both orally and in writing, on the proposed issuance of the Bonds and the plan of financing. Any person desiring to be heard on this matter is requested to attend the public hearing or send a representative. Written comments (not exceeding 250 words) to be presented at the hearing may be submitted to the St. Johns County Industrial Development

Mon, Mar 1, 2021
11:02:26AM

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The St. Augustine Record

Send Payments to:
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One News Place
St. Augustine, FL 32086

Authority at the St. Johns County Administration Building, 500 San Sebastian View, St. Augustine, Florida 32084, in care of Jennifer Zuberer, Economic Development Specialist, and further information relating to this matter is available for inspection and copying during regular business hours at the office of Jennifer Zuberer, Economic Development Specialist, at the St. Johns County Administration Building, 500 San Sebastian View, St. Augustine, Florida 32084.

Comments made at the hearing are for the consideration of the Authority and the Board of County Commissioners (the "Board") of St. Johns County, Florida, and will not bind any legal action to be taken by the Authority or the Board in connection with the consideration and approval of the financing and the issuance of the Bonds.

PERSONS ARE ADVISED THAT, IF THEY DECIDE TO APPEAL ANY DECISION MADE BY THE AUTHORITY WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH HEARING OR MEETING, SUCH PERSON WILL NEED A RECORD OF THE PROCEEDINGS, AND, FOR SUCH PURPOSE, SUCH PERSON MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

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Date: March 1, 2021

ST. JOHNS COUNTY
INDUSTRIAL DEVELOPMENT
AUTHORITY
ST. JOHNS COUNTY, FLORIDA

By: Geoffrey B. Dubson, Esq.,
Attorney
0003241420, March 1, 2021

EXHIBIT B

Attach Report of St. Johns County Industrial Development Authority

**REPORT OF PUBLIC HEARING OF
ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY**

The St. Johns County Industrial Development Authority (the "Authority") at its meeting held on March 8, 2021, conducted a public hearing on the proposed issuance by the Authority of \$125,000,000 Senior Living Revenue Bonds (Vicar's Landing Project), Series 2021 (the "Bonds"), and on the project to be financed with the Bonds, and other purposes described in the Notice of Public Hearing.

The Authority held the hearing on March 8, 2021, commencing at 3:00 p.m. and closing at 3:05 p.m., at the Auditorium in the Administration Building, located at 500 San Sebastian View, St. Augustine, Florida 32084, pursuant to the notice of such hearing which was published on March 1, 2021, in The St. Augustine Record, a newspaper published in St. Johns County, Florida, a copy of the publisher's affidavit being attached hereto as Exhibit A. Interested individuals were given the opportunity to express their views, both orally and in writing.

A presentation regarding (1) the financing plan was made by Ziegler and Company, underwriter, and (2) the state of the Project, and the future plans and current financial status of Vicar's Landing was made by Bruce Jones, Chief Executive Officer and Dale Pirkle, Chief Operating Officer of Life Care Ponte Vedra, Inc.

At the public hearing no persons participated and requested to be heard. Also, no persons submitted any comments in writing for the consideration of the Authority and the Board of County Commissioners of St. Johns County, Florida (the "Board") with respect to the issuance of the Bonds by the Authority or the approval of the Bonds by the Board.

Respectfully submitted this 8th day of March, 2021.

**ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT
AUTHORITY**

By: _____

Name: _____

Title: Geoff Litchner
Chairman of Industrial Development Authority

RESOLUTION NO. 22-02

A RESOLUTION OF THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$125,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS SENIOR LIVING REVENUE BONDS (VICAR'S LANDING PROJECT), SERIES 2021A (THE "SERIES 2021A BONDS") AND SENIOR LIVING REVENUE BONDS (VICAR'S LANDING PROJECT), SERIES 2021B (THE "SERIES 2021B BOND" AND TOGETHER WITH THE SERIES 2021A BONDS, THE "SERIES 2021 BONDS"), FOR THE PURPOSE OF MAKING A LOAN OF FUNDS TO LIFE CARE PONTE VEDRA, INC. (THE "BORROWER") IN ORDER TO REFINANCE OBLIGATIONS OF THE BORROWER RELATED TO THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY HEALTH CARE REVENUE BONDS (VICAR'S LANDING PROJECT), SERIES 2014 A&B AND THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY HEALTH CARE REVENUE AND REVENUE REFUNDING BONDS (VICAR'S LANDING PROJECT) SERIES 2016 AND TO FINANCE THE ACQUISITION, RENOVATION, CONSTRUCTION, EXPANSION, IMPROVEMENT AND EQUIPPING OF CERTAIN CAPITAL IMPROVEMENTS TO THE VICAR'S LANDING CONTINUING CARE RETIREMENT COMMUNITY OPERATED BY THE BORROWER; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF THE SERIES 2021 BONDS; PROVIDING FOR THE PAYMENT THEREOF; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2021 BONDS; APPROVING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, LOAN AGREEMENT, BOND PURCHASE AGREEMENT AND OFFICIAL STATEMENT WITH RESPECT TO THE SERIES 2021A BONDS; A FINANCING AGREEMENT WITH RESPECT TO THE 2021B BOND AND OTHER RELATED DOCUMENTS; AUTHORIZING A NEGOTIATED SALE OF THE SERIES 2021A BONDS TO B.C. ZIEGLER AND COMPANY (THE "UNDERWRITER") AND NEGOTIATED SALE OF THE SERIES 2021B BOND TO BBVA MORTGAGE CORPORATION OR AN AFFILIATE THEREOF; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, as follows:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This resolution is adopted pursuant to the provisions of Chapter 159, Parts II and III, and Chapter 154, Part III, Florida Statutes, as amended, and other applicable provisions of law (the "Act").

SECTION 2. DEFINITIONS. Unless the context otherwise requires, the terms used in this Resolution shall have the meanings specified in the Indenture of Trust relating to the St. Johns County Industrial Development Authority Senior Living Revenue Bonds (Vicar's Landing

Project), Series 2021A (the "Series 2021A Bonds") to be entered into between the St. Johns County Industrial Development Authority (the "Authority") and U.S. Bank, National Association, as Trustee (the "Trustee"), a form of which is attached hereto as Exhibit "A" (the "Bond Indenture") or in the Financing Agreement relating to the St. Johns County Industrial Development Authority Senior Living Revenue Bond (Vicar's Landing Project), Series 2021B (the "Series 2021B Bond") to be entered into among the Authority, Life Care Ponte Vedra, Inc., as Borrower (the "Borrower") and BBVA Mortgage Corporation (or an affiliate thereof), as Bond Purchaser, a form of which is attached hereto as Exhibit "E" (the "Financing Agreement").

SECTION 3. FINDINGS. In reliance upon the representations made to the Authority by the Borrower, the financial advisor to the Authority and others, it is hereby found, ascertained, determined and, declared as follows:

A. The Authority is authorized by the Act to make and execute financing agreements, contracts, deeds and other instruments necessary or convenient for the purpose of facilitating the financing and refinancing of the acquisition, construction and equipping of projects as defined in the Act, including machinery, equipment, land, rights in land and other appurtenances and facilities related thereto, to the end that the Authority will be able to promote the economic growth of the State of Florida, increase opportunities for gainful employment, improve health care, and otherwise contribute to the general health and welfare of the State of Florida and its inhabitants, and to finance the cost of such projects by the issuance of revenue bonds.

B. The Authority is a "local agency" within the meaning of Section 159.27(4), Florida Statutes.

C. The Borrower has acquired, constructed and equipped a continuing care retirement facility presently consisting of approximately 227 residential living units, 60 nursing beds and 38 assisted living units and related common areas located in the Sawgrass area of St. Johns County, Florida (the "County") known as Vicar's Landing (the "Vicar's Landing Community") which has been financed and refinanced from a loan of the proceeds of (a) the Authority's Health Care Revenue Bonds (Vicar's Landing Project), Series 2014A & B, and (b) the Authority's Health Care Revenue and Revenue Refunding Bonds (Vicar's Landing Project), Series 2016 (the "Series 2016 Bonds").

D. The Borrower has developed a financing plan as follows:

(i) The Borrower has requested the Authority to issue its Senior Living Revenue Bonds (Vicar's Landing Project), Series 2021A (the "Series 2021A Bonds") in an aggregate principal amount, together with the Series 2021B Bond referred to below of not to exceed \$125,000,000, under the Bond Indenture (1) to provide funds to currently refund all of the outstanding Series 2014 Bonds and Series 2016 Bonds which will allow the Borrower to implement a new financing and security structure, (2) to finance a portion of the costs of the design, acquisition, construction, improvement and equipping of land and capital improvements to and expansion of the Borrower's health care facilities, including construction of approximately 109 independent living units and related common areas on an approximately 40-acre parcel of land located in the County (the "2021 Project"), (3) to fund capitalized interest, (4) to fund a debt

service reserve for the Series 2021A Bonds, and (5) to pay for the costs of issuance of the Series 2021A Bonds.

(ii) The Borrower has also requested the Authority to issue its Senior Living Revenue Bond (Vicar's Landing Project), Series 2021B (the "Series 2021B Bond" and, together with the Series 2021A Bonds, the "Series 2021 Bonds") in an aggregate principal amount, together with the Series 2021A Bonds of not to exceed \$125,000,000 under the Financing Agreement (1) to provide funds to finance a portion of the costs of design, acquisition, construction, improvement and equipping of the 2021 Project, (2) to fund capitalized interest, (3) to fund a debt service reserve for the Series 2021B Bond, and (4) to pay costs of issuance of the Series 2021B Bond.

(iii) The proceeds from the issuance of the Series 2021A Bonds will be loaned to the Borrower for such purposes pursuant to a Loan Agreement to be entered into between the Authority and the Borrower substantially in the form attached hereto as Exhibit "B". The proceeds of the Series 2021B Bond will be advanced from time to time by BBVA Mortgage Corporation (or an affiliate thereof), as the holder of the Series 2021B Bond, to the Borrower for such purposes pursuant to the Financing Agreement. The obligations of the Borrower to repay the loans of the Series 2021A Bond proceeds and the Series 2021B Bond proceeds will be evidenced and secured by notes (the "Notes") issued by the Borrower in its capacity as Obligated Group Representative under a Master Trust Indenture between the Borrower, as Obligated Group Representative on behalf of itself and Vicar's Landing Foundation, Inc., as the initial Members of the Obligated Group, and U.S. Bank, National Association, as Master Trustee (the "Master Trustee"), as supplemented, respectively, by Master Indenture Supplement No. 1 and Master Indenture Supplement No. 2 (collectively, the "Master Indenture").

The obligations of the Obligated Group under the Master Indenture will be joint and several obligations of each of the Members secured by a pledge of the Gross Revenues of such Members and a mortgage on the Vicar's Landing Community, including the 2021 Project.

E. In reliance on the recommendations of the Authority's financial advisor, and giving due regard to the ratio of the Borrower's current assets to its current liabilities, net worth, earning trends, coverage of all fixed charges, the nature of its business and the industry in which it is involved, its inherent stability, and all other factors determinative of Borrower's capabilities, financial and otherwise, of fulfilling its obligations consistently with the purposes of the Act, the Borrower is financially responsible and fully capable and willing to fulfill its obligations under the Loan Agreement, the Financing Agreement and the Master Indenture, including its obligation to make payments thereunder in the amounts and at the times required pursuant to the terms of the Loan Agreement and the Financing Agreement and its obligation to operate, repair and maintain the Vicar's Landing Community, including the 2021 Project, at its own expense, and Borrower is desirous of serving the purposes of the Act and is willing and capable of fully performing all other obligations and responsibilities imposed upon it pursuant to the provisions of the Loan Agreement, the Financing Agreement and the Master Indenture.

F. Adequate provision will be made under the provisions of the Loan Agreement, the Financing Agreement and the Master Indenture for the operation, repair and

maintenance of the Vicar's Landing Community, including the 2021 Project, at the expense of the Borrower, and for the payment of the principal of and premium, if any, and interest on the Series 2021 Bonds.

G. The principal of and premium, if any, and interest on the Series 2021 Bonds and all payments of the Authority required under the Loan Agreement, the Financing Agreement, the Series 2021 Bonds and the Bond Indenture shall be payable by the Authority solely from the Trust Estate under the Indenture, including the proceeds derived by the Authority under the Loan Agreement and the Loan Payments required to be made by the Borrower in connection with its use and operation of the 2021 Project and the payments required to be made by the Borrower under the Financing Agreement and the other security provided by the Borrower under the Loan Agreement, the Financing Agreement, the Notes and the Master Indenture, and neither the Authority nor the County shall ever be required to: (i) levy ad valorem taxes on any property within its territorial limits to pay the principal and purchase price of and premium, if any, and interest on the Series 2021 Bonds or to make any other payments provided for under the Loan Agreement, the Financing Agreement, the Series 2021 Bonds or the Bond Indenture; (ii) pay the same from any funds of the Authority other than those derived by the Authority under the Loan Agreement, the Financing Agreement, the Series 2021 Bonds and the Bond Indenture; or (iii) require or enforce any payment or performance by the Borrower as provided by the Bond Indenture, the Series 2021 Bonds, the Loan Agreement, the Financing Agreement, the Notes or the Master Indenture unless the Authority's expenses in respect thereof shall be paid from moneys derived under the Loan Agreement or the Financing Agreement, as the case may be, or shall be advanced to the Authority for such purpose, and the Authority shall receive indemnity to its satisfaction. Such 2021 Bonds shall not constitute a lien upon any property owned by or situated within the territorial limits of the Authority except the security for the obligations of the Obligated Group under the Master Indenture in the manner provided in the Master Indenture. Neither the faith and credit of the Authority or of the County nor the taxing power of the Authority, the County or the State of Florida or any political subdivision thereof shall be pledged to the payment of the Series 2021 Bonds. No covenant or agreement contained in any of the documents referred to in this Resolution shall be deemed to be a covenant or agreement of any member, official, agent or employee of the Authority in his individual capacity, all such liability being released as a condition of, and as a consideration for, the execution of such documents.

H. The County will be able to cope satisfactorily with the impact of the Vicar's Landing Community and the 2021 Project and is able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that will be necessary for the construction, operation, repair and maintenance of the Vicar's Landing Community and the 2021 Project and on account of any increases in population or other circumstances resulting therefrom.

I. The costs to be paid from the proceeds of the Series 2021 Bonds shall be costs of a project within the meaning of the Act.

J. The payments to be made by the Borrower under the Loan Agreement will be sufficient to pay all principal of and interest on and premium, if any, for the Series 2021A Bonds, as the same shall become due, and to make all other payments required by the Loan Agreement and the Indenture. The payments to be made by the Borrower under the Financing

Agreement will be sufficient to pay all principal of and interest on and premium, if any, for the Series 2021B Bond, as the same shall become due, and to make all other payments required by the Financing Agreement.

K. The purposes of the Act will be served by financing the 2021 Project and refinancing the Series 2014 Bonds and the Series 2016 Bonds (collectively, the "Refunded Bonds") in the manner provided in the Indenture and the Loan Agreement.

L. On March 8, 2021, the Authority conducted a public hearing with respect to the issuance of the Series 2021 Bonds, in accordance with the requirements of the Internal Revenue Code of 1986, as amended, and having considered all comments presented at such hearing, the Authority desires to proceed with the financing. The Chair shall prepare or cause to be prepared and file with the Authority and with the Board of County Commissioners of the County a report of the statements made and materials submitted at the hearing.

M. Based upon representations of, and as requested by the Borrower, negotiated sales of the Series 2021 Bonds are necessary and in the best interest of the Authority for the following reasons: (i) the Series 2021 Bonds will be special limited obligations of the Authority, the debt service on which and other costs and expenses related to the Series 2021 Bonds shall be payable solely from payments to be made by the Borrower under the Loan Agreement, the Financing Agreement and the Notes issued under the Master Indenture; (ii) the Borrower will be required to pay all costs in connection with the refunding of the Refunded Bonds and the acquisition, construction and equipping of the 2021 Project which are not paid from proceeds of the Series 2021 Bonds or otherwise and to operate and maintain the Vicar's Landing Community, including the 2021 Project, at its own expense; (iii) the costs of issuance of the Series 2021 Bonds, which must be borne directly or indirectly by the Borrower, are likely to be greater and the time until issuance longer if the Series 2021 Bonds are sold at public sale by competitive bids than if the Series 2021 Bonds are sold at negotiated sales and there is no basis, considering prevailing market conditions, for any expectations that the terms and conditions of a sale of the Series 2021 Bonds at public sale by competitive bids would be more favorable than at negotiated sales; (iv) senior living revenue bonds having characteristics of the Series 2021 Bonds are typically sold at negotiated sales under prevailing market conditions; and (v) the Borrower has undertaken substantial negotiations with the Underwriter and BBVA Mortgage Corporation (or an affiliate thereof) with respect to the purchase of the Series 2021 Bonds.

N. The Authority has received a form of Bond Purchase Agreement (the "Purchase Agreement") to be entered into by the Authority, the Borrower and the Underwriter with respect to the negotiated sale of the Series 2021A Bonds in the form attached hereto as Exhibit "C", the acceptance of the terms of which the Authority determines to be in its best interest.

SECTION 4. 2021 PROJECT AUTHORIZED. The 2021 Project is hereby authorized.

The payment or reimbursement of costs of the 2021 Project and costs of issuance of the Series 2021 Bonds with proceeds of the Series 2021 Bonds is hereby authorized.

SECTION 5. REFUNDING OF REFUNDED BONDS AUTHORIZED. The current refunding and redemption of the Refunded Bonds is hereby approved and authorized, subject to

the issuance of the Series 2021 Bonds for such purpose. The providing of a notice of redemption relating to the redemption of the Refunded Bonds is hereby authorized (unless such notice is waived by the holders thereof).

SECTION 6. CONDITIONAL AUTHORIZATION OF SERIES 2021 BONDS. The Series 2021 Bonds are hereby authorized to be issued in the form and manner and with the security described respectively in the Bond Indenture and the Purchase Agreement with respect to the Series 2021A Bonds and the Financing Agreement with respect to the 2021B Bond. The Authority hereby declares its intent to issue and sell the Series 2021 Bonds all at one time by a negotiated sales. Notwithstanding the foregoing, the Series 2021 Bonds shall not be sold or issued, and the Bond Indenture, Loan Agreement, the Purchase Agreement and Financing Agreement shall not be executed or delivered, until the Board of County Commissioners of the County shall have approved the issuance of the Series 2021 Bonds.

SECTION 7. APPROVAL OF PRELIMINARY OFFICIAL STATEMENT AND EXECUTION OF FINAL OFFICIAL STATEMENT. The form of the Preliminary Official Statement with respect to the Series 2021A Bonds attached hereto as Exhibit "D" is hereby approved, subject to such changes, modifications, insertions and omissions and filling of blanks therein as may be made in such form and approved by the Borrower and the Authority. The Authority hereby approves the use and distribution of the Preliminary Official Statement and the Chair or Vice Chair is hereby authorized to deem the Preliminary Official Statement final as of its date, except for permitted omissions, for purposes of Rule 15c2-12 of the Securities Exchange Commission. The Chair or Vice Chair of the Authority is hereby authorized to execute and deliver the Final Official Statement with respect to the Series 2021A Bonds with such changes from the Preliminary Official Statement as shall be necessary to reflect the final terms of the Series 2021A Bonds and the documents to be executed and delivered in connection therewith as the Chair or Vice Chair may approve, such execution and delivery to be conclusive evidence of such approval.

SECTION 8. APPROVAL OF AND AUTHORIZATION OF EXECUTION AND DELIVERY OF BOND DOCUMENTS. The bond documents named on the Bond Documents List attached hereto as Exhibit "F" (the "Bond Documents") are hereby approved, and such of the Bond Documents to which the Authority is a party are authorized in substantially the forms attached hereto, subject to such changes, insertions and omissions and filling of the blanks as may be made in such forms and approved by the Chair or Vice Chair of the Authority, such approval to be presumed by his execution thereof, and, subject to the condition in Section 6 hereof, the Authority hereby authorizes and directs the Chair or Vice Chair to execute and the Secretary or Assistant Secretary of the Authority to attest under seal of the Authority and to deliver the Bond Documents to which the Authority is a party.

SECTION 9. AWARD OF 2021 BONDS. The negotiated sale of the Series 2021A Bonds, as described in the Purchase Agreement, to the Underwriter and the Series 2021B Bond, as described in the Financing Agreement, to BBVA Mortgage Corporation (or an affiliate thereof) is hereby authorized pursuant to Section 218.385, Florida Statutes.

Prior to the issuance of the Series 2021 Bonds, the Authority shall receive from the Underwriter and BBVA Mortgage Corporation (or an affiliate thereof), respectively, the information required by Section 218.385, Florida Statutes.

SECTION 10. NO PERSONAL LIABILITY. No covenant, stipulation, obligation or agreement herein contained or contained in the Series 2021 Bonds, or the Bond Documents or any other related document executed and delivered on behalf of the Authority in connection with the issuance of the Series 2021 Bonds or the undertaking of the 2021 Project shall be deemed to be a covenant, stipulation, obligation or agreement of any member, agent or employee of the Authority or its governing body in his individual capacity, and neither the members of the Authority nor any official executing the Bond Documents shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 11. NO THIRD PARTY BENEFICIARIES. Except as herein or in the Bond Documents otherwise expressly provided, nothing in the Bond Documents expressed or implied, is intended or shall be construed to confer upon any person, firm or corporation other than the Authority, the Borrower, the holders of the Series 2021 Bonds, the other parties to the Bond Documents and the Trustee any right, remedy or claim, legal or equitable, under and by reason of the Bond Documents. The Bond Documents are intended to be and are for the sole and exclusive benefit of the Authority, the Borrower, the holders from time to time of the Series 2021 Bonds, the other parties to the Bond Documents and the Trustee.

SECTION 12. CHAIR'S DESIGNATION OF SIGNATORY. The Chair of the Authority, or in the Chair's absence, any Vice Chair, Secretary or Assistant Secretary of the Authority, is hereby authorized to designate by written certificate one or more authorized signatories to execute any and all Bond Documents and related certificates in his place. Such signature shall have the effect of the Chair's signature as authorized in this Resolution.

SECTION 13. GENERAL AUTHORITY. The Authority and the officers, employees and agents of the Authority acting on behalf of the Authority are hereby authorized and directed to execute such documents, qualified hedge identifications, instruments, assignments and contracts, whether or not expressly contemplated hereby, and to do all acts and things required by the provisions of this Resolution and by the provisions of the Series 2021 Bonds, the Loan Agreement, the Bond Indenture, the Purchase Agreement and the Financing Agreement authorized herein, as may be necessary for the full, punctual and complete performance of all the terms, covenants, provisions and agreements herein and therein contained, or as otherwise may be necessary or desirable to effectuate the purpose and intent of this Resolution, or as may be requested by the Underwriter, BBVA Mortgage Corporation (or an affiliate thereof) or the Borrower. The Chair and the Vice Chair, or either of them, are hereby designated as the primary officers of the Authority charged with the responsibility of issuing the Series 2021 Bonds, and the Chair is hereby authorized to delegate to any other person any of the duties or authorizations of the Chair or the Vice Chair hereunder.

SECTION 14. THIS RESOLUTION CONSTITUTES A CONTRACT. The Authority covenants and agrees that this Resolution shall constitute a contract between the Authority and the holders from time to time of any of the Series 2021 Bonds then outstanding.

SECTION 15. EXECUTION OF 2021 BONDS AND AUTHORIZATION OF ALL OTHER NECESSARY ACTION. The Chair or Vice Chair and Secretary or Assistant Secretary of the Authority are hereby authorized and directed to execute the Series 2021 Bonds when prepared, by manual or facsimile signature, and to deliver the Series 2021A Bonds to the Trustee for manual authentication and delivery to or upon the order of the Underwriter upon payment of the purchase price thereof and to deliver the Series 2021B Bond to BBVA Mortgage Corporation (or an affiliate thereof) pursuant to the conditions stated in this Resolution, the Purchase Agreement and the Financing Agreement. Such officers, counsel to the Authority, and Bryant Miller Olive P.A., as Bond Counsel, are designated agents of the Authority in connection with the issuance and delivery of the Series 2021 Bonds, and are authorized and empowered, collectively or individually, to take all action and steps to execute and deliver any and all instruments, documents or contracts on behalf of the Authority which are necessary or desirable in connection with the execution and delivery of the Series 2021 Bonds and which are not inconsistent with the terms and provisions of this Resolution and other actions relating to the Series 2021 Bonds heretofore or hereafter taken by the Authority, including but not limited to the Bond Documents.

SECTION 16. REPEALING CLAUSE. All resolutions or parts thereof of the Authority in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

SECTION 17. COMPLIANCE WITH CHAPTER 218, PART III, FLORIDA STATUTES. The Authority hereby approves and authorizes the completion, execution and filing with the Division of Bond Finance, Department of General Services of the State of Florida, at the expense of the Borrower, of advance notice of the impending sale of the Series 2021 Bonds, of Bond Information Forms BF 2003 and BF 2004, and of a copy of Internal Revenue Service Form 8038, and any other acts as may be necessary to comply with Chapter 218, Part III, Florida Statutes, as amended. Bond Counsel is hereby directed to ensure that such documents are timely filed.

SECTION 18. DESIGNATION OF TRUSTEE, PAYING AGENT, AND REGISTRAR FOR SERIES 2021A BONDS. U.S. Bank, National Association, Jacksonville, Florida, is hereby designated as Trustee under the Bond Indenture and as Paying Agent and Registrar for the Series 2021A Bonds.

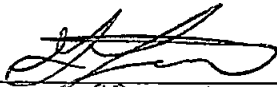
SECTION 19. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Series 2021 Bonds issued hereunder or of any of the other Bond Documents.

SECTION 20. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

[Signature Pages Follow]

ADOPTED: This 12 day of April, 2021.

ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

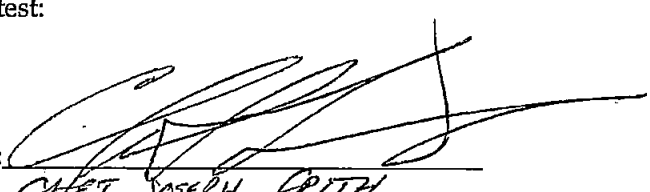
By: 

Name: Geoffrey Litchner

Title: Chairman Industrial Development Authority

(SEAL)

Attest:

By: 

CHET JOSEPH PRITH

Secretary

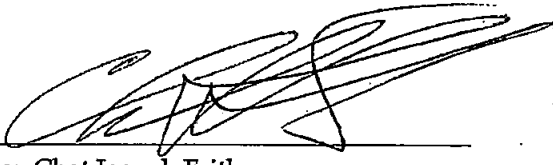
STATE OF FLORIDA

COUNTY OF ST. JOHNS

I, Chet Joseph Frith, Secretary of the St. Johns County Industrial Development Authority, do hereby certify the foregoing is a true and correct copy of a Resolution, without exhibits, which was duly passed and adopted at a noticed meeting of the Authority, on the 12th day of April, 2021.

IN WITNESS WHEREOF, I hereunto set my hand and official seal this 12th day of April, 2021.

ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By: 

Name: Chet Joseph Frith

Title: Secretary

EXHIBIT "A"

Form of Bond Indenture

INDENTURE OF TRUST

between

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

and

**U.S. BANK NATIONAL ASSOCIATION,
AS BOND TRUSTEE**

Dated as of ____1, 2021

Relating to

**ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
SENIOR LIVING REVENUE BONDS
(VICAR'S LANDING PROJECT),
SERIES 2021A**

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST dated as of _____ 1, 2021, between the ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a public body politic and corporate duly organized and existing under the laws of the State of Florida (the "Issuer"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association with trust powers in the State of Florida having a corporate trust office in Jacksonville, Florida, as bond trustee (the "Bond Trustee"), being authorized to accept and execute trusts of the character herein set out,

WITNESSETH

WHEREAS, the Issuer is an industrial development authority organized and existing and pursuant to Chapter 159, Part III, Florida Statutes, as amended and supplemented (the "Act"); and

WHEREAS, the Issuer has determined to issue a series of Bonds hereunder, designated "St. Johns County Industrial Development Authority Senior Living Revenue Bonds (Vicar's Landing Project), Series 2021A" (the "Series 2021A Bonds") in the Aggregate Principal Amount of \$ _____ for the purpose of loaning the proceeds and providing funds to (i) currently refund the Refunded Bonds (as defined in the Loan Agreement referenced to below), (ii) finance or refinance, including through reimbursement, part of the costs of certain expenses and capital improvements, the acquisition of land and the acquisition, construction, improvement and equipping capital improvements to and expansions of the Facilities (as defined in the Loan Agreement), including construction of 109 independent living units and related common areas or an approximate 40-acre parcel of land in St Johns County, Florida, [(iii) fund a debt service reserve for the Series 2021A Bonds, (iv) fund certain capitalized interest on the Bonds] and (v) pay all or a portion of the cost of issuing the Series 2021A Bonds; and

WHEREAS, the Issuer has found and determined, and does hereby find and determine, that in order to increase the commerce, welfare and prosperity of the inhabitants and the citizens of St. Johns County, Florida and the State of Florida, and to improve their health and living conditions by providing access to adequate medical care and health care facilities, it has become necessary for the Issuer to issue the Series 2021A Bonds pursuant to the Act and this Indenture of Trust for the purposes set forth in the preceding paragraph;

WHEREAS, the proceeds of the Series 2021A Bonds shall be loaned to the Life Care Ponte Vedra, Inc. (the "Obligor") pursuant to a Loan Agreement dated as of _____ 1, 2021 (the "Loan Agreement") between the Issuer and the Obligor; and

WHEREAS, to secure the payment of the principal of the Series 2021A Bonds, premium, if any, and the interest thereon and the performance and observance of the covenants and conditions herein contained the Issuer has authorized the execution and delivery of this Indenture of Trust (hereinafter sometimes referred to as the "Bond Indenture"); and

WHEREAS, the execution and delivery of this Indenture of Trust and the issuance of the Series 2021A Bonds hereinafter authorized under this Indenture of Trust, pursuant to the

provisions of the Act, have been in all respects duly and validly authorized by a resolution duly adopted and approved by the Issuer; and

WHEREAS, the Series 2021A Bonds, the Bond Trustee's authentication certificate and the assignment are to be substantially in the following forms, with such necessary or appropriate variations, omissions, and insertions as permitted or required by this Indenture of Trust:

* * * [BEGIN FORM OF BOND FORM] * * *

**ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
SENIOR LIVING REVENUE BONDS
(VICAR'S LANDING PROJECT),
SERIES 2021A**

No. R-_____ \$ _____

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Delivery Date</u>	<u>Dated</u>	<u>CUSIP No.</u>
_____%	_____	_____ 1, 2021	_____ 1, 2021	_____

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ DOLLARS

The ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a public body politic and corporate duly organized and existing under the laws of the State of Florida (the "Issuer"), for value received, promises to pay, from the sources described herein, to the Registered Owner specified above, or registered assigns, the principal amount specified above, on the maturity date specified above (unless this Bond shall have been called for prior redemption) and to pay, from such sources, interest on said sum on _____ and _____ of each year, commencing _____, 20____, at the interest rate specified above, until payment of the principal hereof has been made or provided for. This Bond will bear interest from the most recent interest payment date to which interest has been paid or provided for, or, if no interest has been paid, from the Delivery Date of this Bond.

NEITHER THE STATE OF FLORIDA NOR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE OF FLORIDA, INCLUDING ST. JOHNS COUNTY, FLORIDA ("ST. JOHNS COUNTY") SHALL BE LIABLE OR OBLIGATED (GENERALLY, SPECIALLY, MORALLY OR OTHERWISE) TO PAY THE PRINCIPAL OF THIS BOND OR THE PREMIUM, IF ANY, OR INTEREST HEREON, EXCEPT WITH RESPECT TO THE ISSUER AND SOLELY FROM THE SOURCES IDENTIFIED IN THE BOND INDENTURE AND LOAN AGREEMENT HEREINAFTER IDENTIFIED AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF ST. JOHNS COUNTY, THE STATE OF FLORIDA, OR ANY OTHER POLITICAL SUBDIVISION OR AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

This Bond and the series of Bonds of which it is a part have been issued under and pursuant to the Chapter 159, Part III, Florida Statutes, and other applicable provisions of law (the "Act"). This Bond is a limited obligation of the Issuer payable solely from the revenues, receipts and resources of the Issuer pledged to its payment and not from any other revenues, funds or assets of the Issuer. No owner of any Bonds has the right to compel the Issuer to pay the principal of, interest or redemption premium, if any, on the Bonds, except from such sources.

The principal of and premium, if any, on this Bond are payable upon the presentation and surrender hereof at the designated trust office of U.S. Bank National Association, as bond trustee, or at the designated corporate trust office of its successor in trust (the "Bond Trustee") under an Indenture of Trust dated as of _____ 1, 2021 (the "Bond Indenture") by and between the Issuer and the Bond Trustee. Interest on this Bond will be paid on each interest payment date (or, if such interest payment date is not a business day, on the next succeeding business day), by check or draft mailed to the person in whose name this Bond is registered (the "Registered Owner") in the registration records of the Issuer maintained by the Bond Trustee at the address appearing thereon at the close of business on the last day of the calendar month next preceding such interest payment date (the "Regular Record Date") or by wire transfer of same day funds upon receipt by the Bond Trustee prior to the Regular Record Date of a written request by a Registered Owner of \$1,000,000 or more in aggregate principal amount of Bonds. The CUSIP number and appropriate dollar amounts for each CUSIP number shall accompany all payments of principal of, redemption premium, if any, and interest on the Bonds. Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the Registered Owner hereof at the close of business on the Regular Record Date and shall be payable to the person who is the Registered Owner hereof at the close of business on a Special Record Date (as defined in the hereinafter defined Loan Agreement), for the payment of any defaulted interest. Such Special Record Date shall be fixed by the Bond Trustee whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Registered Owners of such Bonds not less than ten days prior to such Special Record Date. Alternative means of payment of interest may be used if mutually agreed upon between the owner of this Bond and the Bond Trustee, as provided in the Bond Indenture. All such payments shall be made in lawful money of the United States of America without deduction for the services of the Bond Trustee.

This Bond shall be issued pursuant to a book entry system administered by The Depository Trust Company (together with any successor thereto, "Securities Depository"). The book entry system will evidence beneficial ownership of the Bonds with transfers of ownership effected on the register held by the Securities Depository pursuant to rules and procedures established by the Securities Depository. So long as the book entry system is in effect, transfer of principal, interest and premium payments, and provisions of notices or other communications, to beneficial owners of the Bonds will be the responsibility of the Securities Depository as set forth in the Bond Indenture.

This Bond is one of a duly authorized series of bonds of the Issuer dated _____, 2021, known as "St. Johns County Industrial Development Authority Senior Living Revenue Bonds (Vicar's Landing Project), Series 2021A (the "Bonds" or the "Series A Bonds") and issued in an aggregate principal amount of \$_____ for the purpose of providing funds to be loaned to the Life Care Ponte Vedra, Inc., a Florida nonprofit corporation (the "Obligor"), to be used to currently refund certain outstanding bonds of the Issuer issued for the benefit of the Obligor, finance and refinance the cost of improvements to and expansions of a continuing care retirement community located in St. Johns County, Florida (the "Project"), **[to fund a debt service reserve fund and]** to pay a portion of the cost of issuance.

To provide for its loan repayment obligations, the Obligor entered into a Loan Agreement dated as of _____ 1, 2021, between the Issuer and the Obligor (the "Loan Agreement") and

issued its Series 2021A Note (the "Series 2021A Note"). The Series 2021A Note is issued pursuant to a Master Trust Indenture dated as of _____, 1, 2021, as supplemented (the "Master Indenture"), between the Obligor, as the Obligated Group Representative, and U.S. Bank National Association, as master trustee (the "Master Trustee"). Pursuant to the Master Indenture, and a **[Mortgage and Security Agreement]** dated as of _____, 1, 2021, as amended and supplemented, from the Obligor to the Master Trustee (the "Mortgage"), the Obligor has pledged and granted a security interest in, among other things, the Gross Revenues (as defined in the Master Indenture) and the Mortgaged Property (as defined in the Mortgage) to the Master Trustee to secure the Series 2021A Note and all other Obligations from time to time issued and outstanding under the Master Indenture. The Issuer, on behalf of the Obligor, has also issued on the date hereof its St. Johns County Industrial Development Authority Senior Living Revenue Bonds (Vicar's Landing Project), Series 2021B under a separate indenture of trust and will also be secured by Obligations issued under the Master Indenture on a parity with the Series 2021A Note. Additional Obligations on a parity with the Series 2021A Note may be issued pursuant to the Master Indenture subject to the conditions and terms contained therein, and the payments on such additional Obligations will also be secured by a pledge of the Gross Revenues, the Mortgaged Property and certain other property.

This Bond and the claims for interest hereon are payable only out of the revenues derived by the Issuer pursuant to the Loan Agreement. The Bonds are issued under and are equally and ratably secured and are entitled to the protection given by the Bond Indenture.

No recourse under or upon any obligation, covenant, or agreement contained in the Bond Indenture, or in any Bond, or under any judgment obtained against the Issuer or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, under or independent of the Bond Indenture, shall be had against any director, incorporator, officer, agent, employee, or representative as such, past, present or future, of the Issuer, either directly or through the Issuer or otherwise, for the payment for or to the Issuer or for or to the Registered Owner of any Bond issued thereunder or otherwise, of any sum that may be due and unpaid by the Issuer upon any such Bond.

Neither the officers, agents, employees or representatives of the Issuer past, present or future, nor any person executing this Bond or the Bond Indenture, shall be personally liable hereon or thereon or be subject to any personal liability by reason of the issuance hereof and thereof, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the execution of the Bond Indenture and the issuance of this Bond.

Reference is hereby made to the Bond Indenture and all indentures supplemental thereto and the Master Indenture for a description of the revenues pledged, the nature and extent of the security, the rights, duties, and obligations of the Issuer, the Bond Trustee and the owners of the Bonds, and the terms and conditions upon which the Bonds are, and are to be, secured.

[Redemption for Series 2021__ Bonds]

The Bonds maturing on and after _____, 20__, are subject to optional redemption prior to maturity by the Issuer, at the written direction of the Obligor on or after _____, 20__ at any

time as a whole or in part by lot (subject to the requirements of the Bond Indenture with respect to partial redemptions), at the following redemption prices (expressed as a percentage of the principal amount to be redeemed), plus accrued interest to the redemption date:

<u>Redemption Period</u> <u>(Dates Inclusive)</u>	<u>Redemption Price</u>
_____, 20__ through _____, 20__	103%
_____, 20__ through _____, 20__	102
_____, 20__ through _____, 20__	101
_____, 20__ and thereafter	100

The Bonds maturing on _____, 20__ are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of Bonds maturing on _____, 20__, the Issuer shall cause to be deposited into the Principal Account of the Bond Fund a sum which is sufficient to redeem on _____ of each of the following years (after credit as provided below) the following principal amounts of Bonds plus accrued interest to the redemption date:

<u>Year</u>	<u>Amount</u>
-------------	---------------

*Maturity

The Bonds maturing on _____, 20__ are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of Bonds maturing on _____, 20__, the Issuer shall cause to be deposited into the Principal Account of the Bond Fund a sum which is sufficient to redeem on _____ of each of the following years (after credit as provided below) the following principal amounts of Bonds plus accrued interest to the redemption date:

<u>Year</u>	<u>Amount</u>
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*Maturity

[Redemption for Series 2021__ Bonds]

The Series 2021A Bonds are callable for redemption prior to maturity by the Issuer upon the written direction of the Obligor, on or after _____, 20__, at any time as a whole or in part by lot (subject to the requirements of the Bond Indenture with respect to partial redemptions). The redemption price for any such redemption shall be equal to the principal amount of the Series 2021__ Bonds to be redeemed on the redemption date, plus accrued interest to the redemption date, without premium.

At the option of the Obligor to be exercised by delivery of a written certificate to the Bond Trustee on or before the forty-fifth day next preceding any sinking fund redemption date, it may (i) deliver to the Bond Trustee for cancellation Bonds or portions thereof of the same maturity, in an Aggregate Principal Amount desired by the Obligor, or (ii) specify a principal amount of Bonds or portions thereof of the same maturity, which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and canceled by the Bond Trustee at the request of the Obligor and not theretofore applied as a credit against any sinking fund redemption obligation.

The Bonds shall be subject to optional redemption by the Issuer at the direction of the Obligor prior to their scheduled maturities, in whole or in part at a redemption price equal to the principal amount thereof plus accrued interest from the most recent interest payment date to the redemption date on any date following the occurrence of any of the following events:

(1) in case of damage or destruction to, or condemnation of, any property, plant, and equipment of any Obligated Group Member, to the extent that the net proceeds of insurance or condemnation award exceed the Threshold Amount (as defined in the Master Indenture) and the Obligor has determined not to use such net proceeds or award to repair, rebuild or replace such property, plant, and equipment; or

(2) as a result of any changes in the Constitution or laws of the State of Florida or of the United States of America or of any legislative, executive, or administrative action (whether state or federal) or of any final decree, judgment, or order of any court or administrative body (whether state or federal), the obligations of the Obligor under the Loan Agreement have become, as established by an Opinion of Counsel, void or unenforceable in each case in any material respect in accordance with the intent and purpose of the parties as expressed in the Loan Agreement.

If less than all Bonds are to be optionally redeemed, the Obligor may select the maturities eligible for redemption which are to be redeemed. If less than all Bonds of a single maturity are to be redeemed, the selection shall be made by the Securities Depository or by lot by the Bond Trustee. Notice of the call for any redemption shall be given by the Bond Trustee by sending a copy of the redemption notice by mail not more than 60 nor less than 30 days prior to the redemption date to the Registered Owner of each Bond to be redeemed as shown on the registration records kept by the Bond Trustee, as provided in the Bond Indenture. All Bonds or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their payment are on deposit at the place of payment at that time.

The Bonds are issuable as fully registered Bonds in denominations of \$5,000 and any integral multiple thereof and are exchangeable for an equal Aggregate Principal Amount of fully registered Bonds of the same maturity of other authorized denominations at the aforesaid office of

the Bond Trustee but only in the manner and subject to the limitations and on payment of the charges provided in the Bond Indenture.

This Bond is fully transferable by the Registered Owner hereof in person or by his or her or its duly authorized attorney on the registration books kept at the principal office of the Bond Trustee upon surrender of this Bond together with a duly executed written instrument of transfer satisfactory to the Bond Trustee. Upon such transfer a new fully registered Bond of authorized denomination or denominations for the same Aggregate Principal Amount and maturity will be issued to the transferee in exchange herefor, all upon payment of the charges and subject to the terms and conditions set forth in the Bond Indenture.

The Bond Trustee will not be required to transfer or exchange any Bond after the mailing of notice calling such Bond or any portion thereof for redemption has been given as herein provided, nor during the period beginning at the opening of business 15 days before the day of mailing by the Bond Trustee of a notice of prior redemption and ending at the close of business on the day of such mailing.

The Issuer and the Bond Trustee may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of making payment (except to the extent otherwise provided hereinabove and in the Bond Indenture with respect to Regular and Special Record Dates for the payment of interest) and for all other purposes, and neither the Issuer nor the Bond Trustee shall be affected by any notice to the contrary. The principal of, premium, if any, and interest on this Bond shall be paid free from and without regard to any equities between the Obligor and the original or any intermediate owner hereof, or any setoffs or counterclaims.

The owner of this Bond shall have no right to enforce the provisions of the Bond Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Bond Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Bond Indenture. In case an event of default under the Bond Indenture shall occur, the principal of all of the Bonds at any such time Outstanding under the Bond Indenture may be declared or may become due and payable, upon the conditions and in the manner and with the effect provided in the Bond Indenture. The Bond Indenture provides that such declaration may in certain events be waived by the Bond Trustee or the owners of a requisite principal amount of the Bonds Outstanding under the Bond Indenture.

To the extent permitted by, and as provided in, the Bond Indenture, modifications or amendments of the Bond Indenture, or of any indenture supplemental thereto, and of the rights and obligations of the Issuer and of the owners of the Bonds may be made with the consent of the Issuer and the Bond Trustee and, in certain instances, of not less than a majority in Aggregate Principal Amount of the Bonds then Outstanding; provided, however, that no such modification or amendment shall be made which will affect the terms of payment of the principal of, premium, if any, or interest on any of the Bonds, which are unconditional. Any such consent by the owner of this Bond shall be conclusive and binding upon such owner and upon all future owners of this Bond and of any Bond issued upon the transfer or exchange of this Bond whether or not notation of such consent is made upon this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Bond Indenture and issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law.

THIS BOND shall not be entitled to any benefit under the Bond Indenture, or any indenture supplemental thereto, or become valid or obligatory for any purpose until the Bond Trustee shall have manually signed the certificate of authentication hereon.

IN WITNESS WHEREOF, the St. Johns County Industrial Development Authority has caused this Bond to be executed with the manual or facsimile signatures of its Chairman and Secretary, and a facsimile of its corporate seal to be hereto affixed or printed, all as of the date set forth above.

ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By: _____
Chairman

(OFFICIAL SEAL)

ATTEST:

Secretary

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

This is one of the Bonds referred to in the within mentioned Bond Indenture.

Date of Authentication:

U.S. BANK NATIONAL ASSOCIATION,
as Bond Trustee

By: _____

Authorized Signatory

[END OF FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

[FORM OF ASSIGNMENT]

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond, and does hereby irrevocably constitute and appoint _____ attorney to transfer such Bond on the books kept for registration and transfer of the within Bond, with full power of substitution in the premises.

Date: _____

NOTICE: The signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without enlargement or alteration or any change whatsoever.

Signature Guaranteed By:

Authorized Signatory

NOTE: The signature to this Assignment must be guaranteed by a financial institution that is a member of the Securities Transfer Agents Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP") or the New York Stock Exchange, Inc. Medallion Signature Program ("MSP").

* * * [END OF BOND FORM] * * *

WHEREAS, all things necessary to make the Bonds, when authenticated by the Bond Trustee and issued as in this Indenture of Trust provided, the valid, binding, and legal limited and special obligations of the Issuer and to constitute this Indenture of Trust a valid, binding, and legal instrument for the security of the Bonds in accordance with its terms, have been done and performed.

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

That the Issuer, in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the owners thereof and of the sum of One Dollar to it duly paid by the Bond Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on all Bonds at any time Outstanding under this Indenture of Trust, according to their tenor and effect, and to secure the performance and observance of all the covenants and conditions in the Bonds and herein contained, and to declare the terms and conditions upon and subject to which the Bonds are issued and secured, has executed and delivered this Indenture of Trust and has granted, bargained, sold, warranted, alienated, remised, released, conveyed, assigned, pledged, set over, and confirmed, and by these presents does grant, bargain, sell, warrant, alien, remise, release, convey, assign, pledge, set over, and confirm unto the Bond Trustee, and to its successors and assigns forever, all and singular the following described property, franchises, and income:

A. All of the Issuer's right, title and interest in and to the Series 2021A Note delivered by the Obligor to the Issuer pursuant to the Loan Agreement; and

B. All of the Issuer's right, title and interest in and to the Loan Agreement (except for the rights of the Issuer to receive payments, if any, under Sections 5.7, 7.5, and 9.5 of the Loan Agreement), together with all powers, privileges, options and other benefits of the Issuer contained in the Loan Agreement; provided, however, that nothing in this clause shall impair, diminish or otherwise affect the Issuer's obligations under the Loan Agreement or, except as otherwise provided in this Indenture of Trust, impose any such obligations on the Bond Trustee; and

C. Amounts on deposit from time to time in the Bond Fund, Cost of Issuance Fund, Reserve Fund and Construction Fund, but excluding the Rebate Fund (all as defined in the Loan Agreement), subject to the provisions of this Indenture of Trust permitting the application thereof for the purposes and on the terms and conditions set forth herein; and

D. Any and all property of every kind or description which may from time to time hereafter be sold, transferred, conveyed, assigned, hypothecated, endorsed, deposited, pledged, mortgaged, granted or delivered to, or deposited with the Bond Trustee as additional security by the Issuer or anyone on its part or with its written consent, or which pursuant to any of the provisions hereof or of the Loan Agreement or the Series 2021A Note may come into the possession of or control of the Bond Trustee or a receiver appointed pursuant to Article VIII hereof, as such additional security (except amounts held in the Rebate Fund); and the Bond Trustee is hereby authorized to receive any and all such property as and for additional security for the payment of the Bonds, and to hold and apply all such property subject to the terms hereof.

TO HAVE AND TO HOLD the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended to be, to the Bond Trustee and its successors in said trust and assigns forever;

IN TRUST, NEVERTHELESS, upon the terms herein set forth for the equal and proportionate benefit, security, and protection of all owners of the Bonds issued under and secured by this Indenture of Trust without privilege, priority, or distinction as to the lien or otherwise of any of the Bonds over any other of the Bonds;

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall pay, or cause to be paid, the principal of the Bonds and the premium, if any, and the interest due or to become due thereon, at the times and in the manner mentioned in the Bonds according to the true intent and meaning thereof, and shall cause the payments to be made into the Bond Fund as hereinafter required or shall provide, as permitted hereby, for the payment thereof by depositing with the Bond Trustee the entire amount due or to become due hereon, or certain securities as herein permitted and shall keep, perform, and observe all the covenants and conditions pursuant to the terms of this Indenture of Trust to be kept, performed, and observed by it, and shall pay or cause to be paid to the Bond Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this Indenture of Trust and the rights hereby granted shall cease, determine, and be void; otherwise this Indenture of Trust to be and remain in full force and effect.

THIS BOND INDENTURE FURTHER WITNESSETH and it is expressly declared that all Bonds issued and secured hereunder are to be issued, authenticated, and delivered and all said rights hereby pledged and assigned are to be dealt with and disposed of under, upon, and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as hereinafter expressed, and the Issuer has agreed and covenanted, and does hereby agree and covenant, with the Bond Trustee and with the respective owners from time to time of the Bonds as follows:

[END OF PREAMBLE]

**ARTICLE I
DEFINITIONS**

SECTION 1.01 DEFINITIONS. All defined words and phrases used in this Indenture of Trust shall have the meaning given and ascribed to such words and phrases in Article I of the Loan Agreement or Article I of the Master Indenture.

SECTION 1.02 RECITAL INCORPORATION. The recitals set forth in the beginning of this Indenture of Trust are hereby incorporated herein.

**ARTICLE II
AUTHORIZATION, TERMS, EXECUTION AND ISSUANCE OF BONDS**

SECTION 2.01 AUTHORIZED AMOUNT OF BONDS. No Series 2021A Bonds may be issued under this Indenture of Trust except in accordance with this Article. The total principal amount of Series 2021A Bonds that may be issued hereunder is hereby expressly limited to \$_____, except as provided in Section 2.06 hereof.

SECTION 2.02 ALL BONDS EQUALLY AND RATABLY SECURED, BONDS NOT AN OBLIGATION OF ISSUER. All Series 2021A Bonds issued under this Indenture of Trust and at any time Outstanding shall in all respects be equally and ratably secured hereby, without preference, priority, or distinction on account of the date or dates or the actual time or times of the issuance or maturity of the Series 2021A Bonds, so that all Series 2021A Bonds at any time issued and Outstanding hereunder shall have the same right, lien, and preference under and by virtue of this Indenture of Trust, and shall all be equally and ratably secured hereby: The Series 2021A Bonds shall be payable solely out of the revenues and other security pledged hereby and shall not constitute an indebtedness of the Issuer within the meaning of any state constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the Issuer.

SECTION 2.03 AUTHORIZATION OF BONDS. There is hereby authorized to be issued hereunder and secured hereby a series of bonds designated as the "St. Johns County Industrial Development Authority Senior Living Revenue Bonds (Vicar's Landing Project), Series 2021A." The Series 2021A Bonds shall be numbered consecutively upward from RA-1.

The Series 2021A Bonds shall bear interest from the most recent interest payment date to which interest has been paid or provided for, or, if no interest has been paid, from the Delivery Date of the Series 2021A Bonds. The Series 2021A Bonds shall bear interest on the basis of a 360 day year composed of twelve 30-day months payable each _____ and each _____, commencing _____, 2021, at the rates per annum and shall mature on _____ of each year, at the rates per annum and shall mature on _____ in the years and principal amounts as follows:

<u>Year</u>	<u>\$ _____ Serial Bonds</u> <u>Principal Amount</u>	<u>Interest Rate</u>
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\$_____, ____% Series 2021__ Term Bonds due _____, 20__
\$_____, ____% Series 2021__ Term Bonds due _____, 20__

The Series 2021A Bonds shall be issued in Authorized Denominations and shall be dated the Delivery Date.

The Series 2021A Bonds are subject to prior redemption as herein set forth and shall be substantially in the form and tenor hereinabove recited with appropriate variations, omissions, and insertions as are permitted or required by this Indenture of Trust.

The principal of and premium, if any, on the Series 2021A Bonds shall be payable in lawful money of the United States of America at the Payment Office of the Bond Trustee, or at the designated corporate trust office of its successor, upon presentation and surrender of the Series 2021A Bonds. Payment of interest on any Series 2021A Bond shall be made to the person who is the Registered Owner thereof at the close of business on the Regular Record Date for such Interest Payment Date by check mailed by the Bond Trustee on such Interest Payment Date to such Registered Owner at his or her address as it appears on the registration records kept by the Bond Trustee or by wire transfer of same day funds upon receipt by the Bond Trustee prior to the Regular Record Date of a written request by a Registered Owner of \$1,000,000 or more in aggregate principal amount of Series 2021A Bonds. The CUSIP number and appropriate dollar amounts for each CUSIP number shall accompany all payments of principal, premium, if any, and interest on the Bonds. Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the Registered Owner of such Series 2021A Bond at the close of business on the Regular Record Date and shall be payable to the person who is the Registered Owner thereof at the close of business on a Special Record Date for the payment of any such defaulted interest. Such Special Record Date shall be fixed by the Bond Trustee whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Registered Owners of the Series 2021A Bonds not less than ten days prior thereto by first class postage prepaid mail to each such Registered Owner as shown on the registration records, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. Alternative means of payment of interest may be used if mutually agreed upon between the owners of any Series 2021A Bonds and the Bond Trustee. All such payments shall be made in lawful money of the United States of America.

Notwithstanding the foregoing, payments of the principal of and interest on any Series 2021A Bonds that are subject to the book entry system as provided in Article II of this Indenture of Trust shall be made in accordance with the rules, regulations and procedures established by the securities depository in connection with the book entry system.

SECTION 2.04 EXECUTION OF BONDS, SIGNATURES. The Series 2021A Bonds shall be executed on behalf of the Issuer by its Chairman and its seal shall be thereunto affixed and attested by the Secretary. The signatures of such officers and the seal of the Issuer

may be in facsimile. In case any officer who shall have signed any of the Series 2021A Bonds shall cease to hold such office and any of such Series 2021A Bonds shall have been authenticated by the Bond Trustee or delivered or sold, such Series 2021A Bonds with the signatures thereto affixed may, nevertheless, be authenticated by the Bond Trustee, and delivered, and may be sold by the Issuer, as though the person or persons who signed such Series 2021A Bonds had remained in office.

SECTION 2.05 REGISTRATION AND EXCHANGE OF BONDS; PERSONS TREATED AS OWNERS. The Issuer shall cause books for the registration and for the transfer of the Series 2021A Bonds as provided in this Indenture of Trust to be kept by the Bond Trustee which is hereby appointed the bond registrar of the Issuer for the Series 2021A Bonds. Upon surrender for transfer of any fully registered Series 2021A Bond at the Payment Office of the Bond Trustee, duly endorsed for transfer or accomplished by an assignment duly executed by the Registered Owner or his attorney duly authorized in writing, the Issuer shall execute and the Bond Trustee shall authenticate and deliver in the name of the transferee or transferees a new fully registered Series 2021A Bond or Bonds of a like Aggregate Principal Amount for a like principal amount and maturity.

The Issuer shall execute and the Bond Trustee shall authenticate and deliver Series 2021A Bonds which the Bondholder making the exchange is entitled to receive, bearing numbers not contemporaneously Outstanding. The execution by the Issuer of any fully registered Series 2021A Bond of any denomination shall constitute full and due authorization of such denomination and the Bond Trustee shall thereby be authorized to authenticate and deliver such Bond.

The Bond Trustee shall not be required to transfer or exchange any Series 2021A Bond after the mailing of notice calling such Series 2021A Bond or any portion thereof for redemption has been given as herein provided, nor during the period beginning at the opening of business fifteen days before the day of mailing by the Bond Trustee of a notice of prior redemption and ending at the close of business on the day of such mailing except for Bondholders of \$1,000,000 or more in aggregate principal amount of the Series 2021A Bonds.

As to any Series 2021A Bond, the Person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of principal of or interest on any Series 2021A Bond shall be made only to or upon the written order of the Registered Owner thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums paid.

The Bond Trustee shall require the payment by any Bondholder requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

SECTION 2.06 LOST, STOLEN, DESTROYED, AND MUTILATED BONDS. Upon receipt by the Bond Trustee of evidence satisfactory to it of the ownership of and the loss, theft, destruction, or mutilation of any Series 2021A Bond and, in the case of a lost, stolen, or destroyed Series 2021A Bond, of indemnity satisfactory to it, and upon surrender and cancellation of the Series 2021A Bond if mutilated, (i) the Issuer shall execute, and the Bond Trustee shall

authenticate and deliver, a new Series 2021A Bond of the same series, date and maturity as the lost, stolen, destroyed or mutilated Series 2021A Bond in lieu of such lost, stolen, destroyed, or mutilated Series 2021A Bond, or (ii) if such lost, stolen, destroyed, or mutilated Series 2021A Bond shall have matured or have been called for redemption, in lieu of executing and delivering a new Series 2021A Bond as aforesaid, the Issuer may pay such Series 2021A Bond. Any such new Series 2021A Bond shall bear a number not contemporaneously Outstanding. The applicant for any such new Series 2021A Bond may be required to pay all expenses and charges of the Issuer and of the Bond Trustee in connection with the issue of such new Series 2021A Bond. All Series 2021A Bonds shall be held and owned upon the express condition that, to the extent permitted by law, the foregoing conditions are exclusive with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Series 2021A Bonds, negotiable instruments, or other securities. If, after the delivery of such new Series 2021A Bond, a bona fide purchaser of the original Series 2021A Bond in lieu of which such duplicate Series 2021A Bond was issued presents for payment such original Series 2021A Bond, the Obligor or the Bond Trustee shall be entitled to recover upon such new Series 2021A Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Obligor or the Bond Trustee in connection therewith.

SECTION 2.07 DELIVERY OF BONDS. Upon the execution and delivery of this Indenture of Trust, the Issuer shall execute and deliver to the Bond Trustee and the Bond Trustee shall authenticate the Series 2021A Bonds and deliver them to the initial purchasers thereof as directed by the Issuer and as hereinafter in this Section provided.

Prior to the delivery by the Bond Trustee of any of the Series 2021A Bonds there shall be filed with and delivered to the Bond Trustee at least:

(a) A certified copy of the resolution of the Issuer authorizing the execution and delivery of the Loan Agreement, this Indenture of Trust and the issuance of the Series 2021A Bonds.

(b) Original executed counterparts of the Loan Agreement, this Indenture of Trust, the Mortgage, the Tax Compliance Agreement, the Continuing Disclosure Agreement, the Master Indenture Supplement and the Master Indenture.

(c) The Series 2021A Note, duly executed and authenticated and duly assigned to the Bond Trustee.

(d) A request and authorization to the Bond Trustee on behalf of the Issuer and signed by its Chairman to authenticate and deliver the Series 2021A Bonds to the purchasers therein identified upon payment to the Bond Trustee but for the account of the Issuer of a sum specified in such request and authorization plus accrued interest thereon to the date of delivery, together with instructions (which may be in the form of a separate certificate) as to the disposition of the proceeds of the Series 2021A Bonds.

(e) An Opinion of Bond Counsel addressed to the Bond Trustee (or a reliance letter therefor) to the effect that the Series 2021A Bonds have been duly and validly authorized, issued

and delivered and constitute valid and binding limited obligations of the Issuer, enforceable against the Issuer in accordance with their terms, that the interest payable on the Series 2021A Bonds is excludable from gross income for federal income tax purposes.

(f) An opinion of Counsel to the Issuer addressed to the Bond Trustee to the effect that each of the instruments to which the Issuer is a party has been duly and validly authorized, executed and delivered by the Issuer and constitutes the legal, valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms, subject to customary qualifications on enforceability.

SECTION 2.08 BOND TRUSTEE'S AUTHENTICATION CERTIFICATE.

The Bond Trustee's authentication certificate upon the Series 2021A Bonds shall be substantially in the form and tenor hereinbefore provided. No Series 2021A Bond shall be secured hereby or entitled to the benefit hereof, or shall be valid or obligatory for any purpose, unless the certificate of authentication, substantially in such form, has been duly executed by the Bond Trustee and such certificate of the Bond Trustee upon any Series 2021A Bond shall be conclusive evidence and the only competent evidence that such Series 2021A Bond has been authenticated and delivered hereunder. The Bond Trustee's certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized signatory of the Bond Trustee, but it shall not be necessary that the same person sign the certificate of authentication on all of the Series 2021A Bonds issued hereunder.

SECTION 2.09 NO ISSUANCE OF ADDITIONAL BONDS. The Issuer agrees that it will not issue any additional bonds under this Indenture of Trust. Only the Series 2021A Bonds shall be Outstanding under this Indenture of Trust and entitled to the security of the Trust Estate.

SECTION 2.10 CANCELLATION AND DESTRUCTION OF BONDS BY THE BOND TRUSTEE. Whenever any Outstanding Series 2021A Bonds shall be delivered to the Bond Trustee for the cancellation thereof pursuant to this Indenture of Trust, upon payment of the principal amount or interest represented thereby or for replacement pursuant to Section 2.06 hereof, such Series 2021A Bonds shall be promptly cancelled and treated in accordance with the Bond Trustee's standard retention policies. In the event of destruction of the Series 2021A Bonds by the Bond Trustee, a certificate of destruction evidencing such destruction shall be furnished by the Bond Trustee to the Issuer and the Obligor upon written request.

SECTION 2.11 BOOK ENTRY ONLY SYSTEM. The Series 2021A Bonds shall be initially issued in the form of a single fully registered bond for each maturity of Series 2021A Bonds registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 2.12 hereof, all of the outstanding Series 2021A Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Series 2021A Bonds registered in the name of Cede & Co., as nominee of DTC, the Issuer, the Bond Trustee and the Obligor shall have no responsibility or obligation to any participant in DTC (a "DTC Participant") or to any person on behalf of whom such a DTC Participant holds an interest in the Series 2021A Bonds, except as provided in this Indenture of Trust. Without limiting the immediately preceding sentence, the Issuer, the Bond Trustee and the

Obligor shall have no responsibility or obligation with respect to (a) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Series 2021A Bonds, (b) the delivery to any DTC Participant or any other person, other than a Bondholder, as shown on the registration books, of any notice with respect to the Series 2021A Bonds, including any notice of redemption, (c) any consent given or other action taken by DTC or Cede & Co. as the Registered Owner, or (d) the payment to any DTC Participant or any other person, other than a Bondholder as shown in the registration books, of any amount with respect to principal of, premium, if any, or interest on, the Series 2021A Bonds. Notwithstanding any other provision of this Indenture of Trust to the contrary, the Issuer and the Bond Trustee shall be entitled to treat and consider the person in whose name each Series 2021A Bond is registered in the registration books as the absolute owner of such Series 2021A Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2021A Bond, for the purpose of registering transfers with respect to such Series 2021A Bond, and for all other purposes whatsoever. The Bond Trustee shall pay all principal of, premium, if any, and interest on the Series 2021A Bonds only to or upon the order of the respective owners, as shown in the registration books as provided in this Indenture of Trust, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of, premium, if any, and interest on, the Series 2021A Bonds to the extent of the sum or sums so paid. No person other than an owner, as shown in the registration books, shall receive a Series 2021A Bond certificate evidencing the obligation of the Issuer to make payments of principal, premium, if any, and interest, pursuant to this Indenture of Trust. Upon delivery by DTC to the Bond Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Indenture of Trust with respect to payment of interest to the Registered Owner at the close of business on the Record Date, the word "Cede & Co." in this Indenture of Trust shall refer to such new nominee of DTC.

SECTION 2.12 SUCCESSOR SECURITIES DEPOSITORY; TRANSFERS OUTSIDE BOOK ENTRY ONLY SYSTEM. (a) In the event that the Obligor determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the Issuer to DTC (the "DTC Letter") and that it is in the best interest of the beneficial owners of the Series 2021A Bonds that they be able to obtain certificated Series 2021A Bonds, the Issuer, at the direction of the Obligor, shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities Exchange Act of 1934, as amended, notify DTC and DTC Participants, identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Series 2021A Bonds to such successor securities depository, or (ii) notify DTC and DTC Participants, identified by DTC, of the availability through DTC of Bonds and transfer one or more separate Series 2021A Bonds to DTC Participants, identified by DTC, having Bonds credited to their DTC accounts. In such event, the Series 2021A Bonds shall no longer be restricted to being registered in the registration books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of this Indenture of Trust.

(b) Upon the written consent of 100% of the beneficial owners of the Series 2021A Bonds, the Bond Trustee, in accordance with the DTC Letter, shall withdraw the Bonds from DTC,

and authenticate and deliver Bonds fully registered to the assignees of DTC or its nominee. If the request for such withdrawal is not the result of any Issuer action or inaction, such withdrawal, authentication and delivery shall be at the cost and expense (including costs of printing, preparing and delivering such Series 2021A Bonds) of the Persons requesting such withdrawal, authentication and delivery.

SECTION 2.13 PAYMENTS TO CEDE & CO. Notwithstanding any other provision of this Indenture of Trust to the contrary, so long as any Series 2021A Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on, such Series 2021A Bond and all notices, transfers and deliveries with respect to such Series 2021A Bond shall be made and given, respectively, in the manner provided in the DTC Letter.

ARTICLE III REVENUES AND FUNDS

SECTION 3.01 APPLICATION OF PROCEEDS OF BONDS. The Issuer will sell and cause to be delivered to the initial purchasers thereto the Series 2021A Bonds and will deliver the proceeds thereof to the Bond Trustee for disposal as follows:

(a) Deposit into the Reserve Fund, the amount specified in the request and authorization to the Bond Trustee described in Section 2.07(d) hereof.

(b) Deposit into the Cost of Issuance Fund, the amount specified in the request and authorization to the Bond Trustee described in Section 2.07(d) hereof.

(c) Deposit into the Funded Interest Account of the Construction Fund, the amount specified the amount specified in the request and authorization to the Bond Trustee described in Section 2.07(d) hereof.

(d) Payment to the owners of the Refunded Bonds the redemption price thereof.

(e) Deposit into the Project Account of the Construction Fund, the balance of the proceeds of the Bonds.

SECTION 3.02 CREATION OF THE BOND FUND. There is hereby created by the Issuer and ordered established with the Bond Trustee a trust fund to be designated as the "St. Johns County Industrial Development Authority Senior Living Revenue Bonds (Vicar's Landing Project) Series 2021A Bond Fund" (the "Bond Fund"). There are hereby created by the Issuer and ordered established with the Bond Trustee two separate accounts within the Bond Fund to be designated as the Principal Account (the "Principal Account") and the Interest Account (the "Interest Account"). Moneys on deposit in the Principal Account shall be used to pay the principal of and premium, if any, on the Series 2021A Bonds, when due and payable. Moneys on deposit in the Interest Account shall be used to pay the interest on the Series 2021A Bonds.

SECTION 3.03 PAYMENTS INTO THE BOND FUND. There shall also be deposited into the Principal Account or the Interest Account, as and when received, (i) amounts on deposit in the Funded Interest Account of the Construction Fund, (ii) all payments on the Series

2021A Note, (iii) all moneys transferred to the Bond Fund from the Reserve Fund pursuant to Section 3.10 hereof, (iv) all other moneys required to be deposited therein pursuant to the Loan Agreement, and (v) all other moneys received by the Bond Trustee when accompanied by written directions that such moneys are to be paid into the Principal Account or the Interest Account. There also shall be retained or deposited in the Principal Account or the Interest Account all interest and other income received on investments or moneys required to be transferred thereto, in accordance with Section 6.02 hereof. The Issuer hereby covenants and agrees that so long as any of the Series 2021A Bonds are Outstanding it will deposit, or cause to be deposited, into the Principal Account or the Interest Account, as applicable, for its account sufficient sums from revenues and receipts derived from the Loan Agreement promptly to meet and pay the principal of, premium, if any, and interest on the Series 2021A Bonds as the same become due and payable.

SECTION 3.04 USE OF MONEYS IN THE PRINCIPAL ACCOUNT AND THE INTEREST ACCOUNT. Except as provided in Sections 3.15 and 8.05 hereof, moneys in the Principal Account or the Interest Account shall be used solely for the payment of the principal of, premium, if any, and interest on the Series 2021A Bonds.

SECTION 3.05 CUSTODY OF THE BOND FUND. The Bond Fund shall be in the custody of the Bond Trustee but in the name of the Issuer, and the Issuer hereby authorizes and directs the Bond Trustee to withdraw sufficient funds from the Principal Account or the Interest Account of the Bond Fund to pay the principal of, premium, if any, and interest on the Series 2021A Bonds as the same come due and payable, which authorization and direction the Bond Trustee hereby accepts.

SECTION 3.06 CONSTRUCTION FUND. (a) There is hereby created and established with the Bond Trustee a trust fund designated as the "St. Johns County Industrial Development Authority Senior Living Revenue Bonds (Vicar's Landing Project), Series 2021A Construction Fund" (the "Construction Fund"). There are hereby created by the Issuer and ordered established with the Bond Trustee two separate accounts within the Construction Fund to be designated as the Funded Interest Account and the Project Account. Moneys shall be deposited in the Construction Fund or the accounts therein for that portion of the proceeds of the Series 2021A Bonds used to finance costs of the Project in accordance with Section 3.01. Moneys in the Construction Fund shall be used to pay Costs of a Project or as hereinafter provided. Moneys in the Funded Interest Account of the Construction Fund shall be used to pay interest accruing on a portion of the Series 2021A Bonds through ____, __, 20__; provided, however, to the extent monies remain in the Funded Interest Account after such date such monies shall be transferred to the Principal Account of the Bond Fund and used only for payment of principal on the Series 2021A Bonds or for such other purposes as permitted in an Opinion of Bond Counsel and the Funded Interest Account shall be closed. Under no circumstances shall moneys in the Construction Fund be used to pay Cost of Issuance.

(b) In the event there are insufficient moneys in any Interest Account of the Bond Fund to pay interest on the Series 2021A Bonds when due, the Bond Trustee shall transfer moneys in the Funded Interest Account of the Construction Fund to such Interest Account of the Bond Fund to pay such interest when due. Moneys in the Funded Interest Account of the Construction Fund shall be used to pay investment management fees as set forth in a written request of the Obligor to the Bond Trustee. Upon the maturity or sale of a Premium Security, the Bond Trustee shall transfer

the appropriate amount of premium as set forth in Section 6.01 hereof to the account in which such Premium Security was held. The Bond Trustee shall disburse moneys in the Project Account of the Construction Fund as provided herein and in Article IV of the Agreement. All Surplus Construction Fund Money remaining in the Construction Fund after the Completion Certificate is filed with the Bond Trustee and payment of all other costs then due and payable shall be transferred to the Bond Fund and shall be used to pay debt service on the Series 2021A Bonds or such other purpose as permitted in an Opinion of Bond Counsel.

(c) Payments from the Project Account of the Construction Fund shall be made in accordance with this Article III and Article IV of the Loan Agreement. Upon receipt of the required certificates, the Bond Trustee shall pay the amount requested pursuant to the [Disbursement Agreement].

(d) If an Event of Default occurs under this Indenture of Trust, and the Bond Trustee declares the principal of all Series 2021A Bonds and the interest accrued thereon to be due and payable, no moneys may be paid out of any account of the Construction Fund by the Bond Trustee during the continuance of such an Event of Default; provided, however, that if such an Event of Default shall be waived and such declaration shall be rescinded by the Bond Trustee or the holders and owners of the Series 2021A Bonds pursuant to the terms of this Indenture of Trust, the full amount of any such remaining moneys in the Construction Fund may again be disbursed by the Bond Trustee in accordance with the provisions of the Loan Agreement and this Indenture of Trust.

(e) The Bond Trustee shall not be accountable for the use or application of the proceeds from the Construction Fund disbursed in accordance with the provisions of the Loan Agreement and this Indenture of Trust.

SECTION 3.07. COMPLETION CERTIFICATE. At such time as the Obligor determines that construction of the Project has been completed in substantial compliance with the final plans and specifications for the Project or has determined to terminate any further construction of the Project, it shall deliver the Completion Certificate to the Bond Trustee in accordance with and to the extent required by the Loan Agreement. Upon receipt of the completion certificate, surplus Construction Fund moneys shall be transferred to the Principal Account and applied to redeem Series 2021A Bonds in accordance with Section 5.09 hereof.

SECTION 3.08 CREATION OF THE RESERVE FUND. (a) There is hereby created and established with the Bond Trustee a trust fund designated as the "St. Johns County Industrial Development Authority Senior Living Revenue Bonds (Vicar's Landing Project) Series 2021A Debt Service Reserve Fund" (the "Reserve Fund").

(b) Moneys on deposit in the Reserve Fund shall be used to provide a reserve for the payment of the principal of and interest on the Series 2021A Bonds and no other series of Bonds shall be secured therewith.

SECTION 3.09 PAYMENTS INTO THE RESERVE FUND. In addition to the deposits required by Section 3.01 hereof, there shall be deposited into the Reserve Fund, any Reserve Fund Obligations delivered by the Obligor to the Bond Trustee pursuant to Section 5.6 of the Loan Agreement. In addition, there shall be deposited into the Reserve Fund all moneys

required to be transferred thereto pursuant to Section 6.02 hereof, and all other moneys received by the Bond Trustee when accompanied by written directions of the Obligor that such moneys are to be paid into the Reserve Fund. There shall also be retained in the Reserve Fund all interest and other income received on investments of Reserve Fund moneys in the Reserve Fund to the extent provided in Section 6.02 hereof.

SECTION 3.10 USE OF MONEYS IN THE RESERVE FUND. (a) Except as provided in this Section 3.10 and in Section 3.15 hereof, moneys in the Reserve Fund shall be used solely for the payment of the principal of and interest on the Series 2021A Bonds in the event moneys in the Bond Fund and the Funded Interest Account are insufficient to make such payments when due, whether on an interest payment date, redemption date, maturity date, acceleration date or otherwise, provided that moneys on deposit in each Account in the Reserve Fund shall be used only to make such payments with respect to the Series 2021A Bonds.

(b) Upon the occurrence of an Event of Default of which the Bond Trustee is deemed to have notice hereunder and the election by the Bond Trustee of the remedy specified in Section 8.02(a) hereof, any Reserve Fund Obligations in the Reserve Fund shall, subject to the provisions of Section 3.16 hereof, be transferred by the Bond Trustee to the Principal Account and applied in accordance with Section 8.05 hereof. In the event of the redemption of a portion of the Series 2021A Bonds, any Reserve Fund Obligations on deposit in the Reserve Fund in excess of the Reserve Fund Requirement on the Series 2021A Bonds to be Outstanding immediately after such redemption may, subject to the provisions of Section 3.16 hereof, be transferred to the Principal Account and applied to the payment of the principal of the Series 2021A Bonds to be redeemed. On _____ 1 and _____ 1 in each year, any earnings on the Reserve Fund Obligations on deposit in the Reserve Fund that are in excess of the Reserve Fund Requirement shall be transferred into the Interest Account of the Bond Fund.

(c) On the final maturity date of the Series 2021A Bonds, any Reserve Fund Obligations in the Reserve Fund in excess of the Reserve Fund Requirement after giving effect to such maturity may, upon the direction of the Obligor, be used to pay the principal of and interest on the Series 2021A Bonds on such final maturity date.

(d) If at any time moneys in the Reserve Fund are sufficient to pay the principal or redemption price of all Series 2021A Bonds, the Bond Trustee may use the moneys on deposit in the Reserve Fund to pay such principal or redemption price of the Series 2021A Bonds.

(e) In accordance with Section 651.035, Florida Statutes, not less than ten (10) days prior to any withdrawal of monies from in the Reserve Fund, notice of the withdrawal from the Reserve Fund shall be given by the Bond Trustee or the Obligor by telephone (850/413-3140) (promptly confirmed in writing) or facsimile (850/488-0313) to the Florida Office of Insurance Regulation, Specialty Product Administration, The Larson Building 200 East Gaines Street, Tallahassee, Florida 32399-0327 (the "Office of Insurance"); provided that such notice by telephone, by facsimile or in writing may be given to the Office of Insurance at other telephone numbers or other addresses if required by the Office of Insurance to be used in lieu of the foregoing. The Bond Trustee shall provide the Office of Insurance with any information concerning the Reserve Fund upon request of the Office of Insurance or the Obligor.

SECTION 3.11 CUSTODY OF THE RESERVE FUND. The Reserve Fund shall be in the custody of the Bond Trustee but in the name of the Issuer, and the Issuer hereby authorizes and directs the Bond Trustee to transfer sufficient moneys from the Reserve Fund to the Bond Trustee for deposit to the Bond Fund to pay the principal of and interest on the Series 2021A Bonds for the purposes herein described, which authorization and direction the Bond Trustee hereby accepts. In the event there shall be a deficiency in the Principal Account or the Interest Account on any payment date for the Series 2021A Bonds, the Bond Trustee shall promptly make up such deficiency from the applicable account in the Reserve Fund.

SECTION 3.12 NONPRESENTMENT OF BONDS. In the event that any Series 2021A Bonds shall not be presented for payment when the principal thereof or interest thereon becomes due, either at maturity, the date fixed for redemption thereof, or otherwise, if funds sufficient for the payment thereof shall have been deposited into the Bond Fund or otherwise made available to the Bond Trustee for deposit therein as provided in Section 3.03 hereof, all liability of the Issuer to the owner or owners thereof for the payment of such Series 2021A Bonds shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Bond Trustee to hold such fund or funds, without liability for interest thereon, for the benefit of the owner or owners of such Series 2021A Bonds, who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his or their part under this Indenture of Trust or on, or with respect to, said Series 2021A Bond, and all such funds shall remain uninvested. If any Series 2021A Bond shall not be presented for payment within the period of two years following the date of final maturity of such Series 2021A Bond, the Bond Trustee shall, to the extent required by law, transfer such funds to the state treasury of the State of Florida is located, in which case the owner of such Series 2021A Bonds shall look only to such state for payment, or, in the alternative, to the extent permitted by law, the Bond Trustee shall, upon request in writing by the Obligor, return such funds to the Obligor free of any trust or lien and such Series 2021A Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Obligor. In either event, the Bond Trustee shall have no further responsibility with respect to such moneys or payment of such Series 2021A Bonds. Thereafter, the Bondholders shall be entitled to look only to the Obligor for payment, and then only to the extent of the amount so repaid by the Bond Trustee. The Obligor shall not be liable for any interest on any sums paid to it.

SECTION 3.13 BOND TRUSTEE'S AND PAYING AGENTS' FEES, CHARGES, AND EXPENSES. Pursuant to the provisions of the Loan Agreement, the Obligor has agreed to pay to the Bond Trustee and to each Paying Agent, commencing with the effective date of the Loan Agreement and continuing until the principal of, premium, if any, and interest on the Series 2021A Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of this Indenture of Trust, the reasonable and necessary fees and expenses (including reasonable attorney's fees) of the Bond Trustee and each Paying Agent, as and when the same become due, upon the submission by the Bond Trustee and each Paying Agent of a statement therefor.

SECTION 3.14 MONEYS TO BE HELD IN TRUST. All moneys required to be deposited with or paid to the Bond Trustee under any provision of this Indenture of Trust (except moneys in the Rebate Fund) shall be held by the Bond Trustee in trust for the purposes specified in this Indenture of Trust, and except for moneys deposited with or paid to the Bond Trustee for

the redemption of Series 2021A Bonds for which the notice of redemption has been duly given, shall, while held by the Bond Trustee, constitute part of the Trust Estate and be subject to the lien hereof.

SECTION 3.15 REPAYMENT TO THE OBLIGOR FROM THE FUNDS. Any amounts remaining in the Cost of Issuance Fund, Bond Fund, Reserve Fund or Construction Fund after payment in full of the Series 2021A Bonds (or after making provision for such payment), the fees and expenses of the Bond Trustee and the Paying Agents (including attorney's fees, if any), the Administration Expenses, and all other amounts required to be paid hereunder and under the Loan Agreement shall be paid to the Obligor upon the termination of the Loan Agreement.

SECTION 3.16 REBATE FUND.

(a) A special Rebate Fund is hereby established by the Issuer. The Rebate Fund shall be for the sole benefit of the United States of America and shall not be subject to the claim of any other Person, including without limitation the Bondholders. The Rebate Fund is established for the purpose of complying with Section 148 of the Code. The money deposited in the Rebate Fund, together with all investments thereof and investment income therefrom, shall be held in trust and applied solely as provided in this Section. The Rebate Fund is not a portion of the Trust Estate and is not subject to the lien of this Indenture of Trust. Notwithstanding the foregoing, the Bond Trustee with respect to the Rebate Fund is afforded all the rights, protections and immunities otherwise accorded to it hereunder.

(b) Within 60 days after the close of each fifth "Bond Year," the Obligor shall provide the Bond Trustee a computation in the form of a certificate of an officer of the Obligor of the amount of "Excess Earnings," if any, for the period beginning on the date of delivery of the Bonds and ending at the close of such "Bond Year" and the Obligor shall pay to the Bond Trustee for deposit into the Rebate Fund an amount equal to the difference, if any, between the amount then in the Rebate Fund and the Excess Earnings so computed. The term "Bond Year" means with respect to the Series 2021A Bonds each one-year period ending on the anniversary of the date of delivery of the Series 2021A Bonds or such other period as may be elected by the Issuer in accordance with the Code and notice of which election has been given to the Bond Trustee. If, at the close of any Bond Year, the amount in the Rebate Fund exceeds the amount that would be required to be paid to the United States of America under paragraph (d) below if the Series 2021A Bonds had been paid in full, such excess may, at the request of the Obligor, be transferred from the Rebate Fund and paid to the Obligor.

(c) In general, "Excess Earnings" for any period of time means the sum of

(i) the excess of --

(A) the aggregate amount earned during such period of time on all "Nonpurpose Investments" (including gains on the disposition of such Obligations) in which "Gross Proceeds" of the issue are invested (other than amounts attributable to an excess described in this subparagraph (c)(i)), over

(B) the amount that would have been earned during such period of time if the “Yield” on such Nonpurpose Investments (other than amounts attributable to an excess described in this subparagraph (c)(i)) had been equal to the yield on the issue, plus

(ii) any income during such period of time attributable to the excess described in subparagraph (c)(i) above.

The term Nonpurpose Investments, Gross Proceeds, Issue Date and Yield shall have the meanings given to such terms in Section 148 of the Code.

(d) The Bond Trustee shall, as directed in writing by the Obligor, pay to the United States of America at least once every five years, to the extent that funds are available in the Rebate Fund or otherwise provided by the Obligor, an amount that ensures that at least 90 percent of the Excess Earnings from the date of delivery of the Series 2021A Bonds to the close of the period for which the payment is being made will have been paid. The Series 2021A Bond Trustee shall pay to the United States of America not later than 60 days after the Bonds have been paid in full as directed by the Obligor in writing, to the extent that funds are available in the Rebate Fund or otherwise provided by the Obligor, 100 percent of the amount then required to be paid under Section 148(f) of the Code as a result of Excess Earnings.

(e) The amounts to be computed, paid, deposited or disbursed under this section shall be determined by the Obligor acting on behalf of the Issuer within thirty days after each Bond Year. By such date, the Obligor shall also notify, in writing, the Bond Trustee and the Issuer of the determinations the Obligor has made and the payment to be made pursuant to the provisions of this section. Upon written request of any Registered Owner of Series 2021A Bonds, the Obligor shall furnish to such Registered Owner of Series 2021A Bonds a certificate (supported by reasonable documentation, which may include calculation by Bond Counsel or by some other service organization) showing compliance with this section and other applicable provisions of Section 148 of the Code.

(f) The Bond Trustee shall maintain a record of the periodic determinations by the Obligor of the Excess Earnings for a period beginning on the first anniversary date of the issuance of the Series 2021A Bonds and ending on the date six years after the final retirement of the Series 2021A Bonds. Such records shall state each such anniversary date and summarize the manner in which the Excess Earnings, if any, was determined.

(g) If the Bond Trustee shall declare the principal of the Series 2021A Bonds and the interest accrued thereon immediately due and payable as the result of an Event of Default specified in this Indenture of Trust, or if the Series 2021A Bonds are optionally or mandatorily prepaid or redeemed prior to maturity as a whole in accordance with their terms, any amount remaining in any of the funds shall be transferred to the Rebate Fund to the extent that the amount therein is less than the Excess Earnings computed by the Obligor as of the date of such acceleration or redemption, and the balance of such amount shall be used immediately by the Bond Trustee for the purpose of paying principal of, redemption premium, if any, and interest on the Series 2021A Bonds when due. In furtherance of such intention, the Issuer hereby authorizes and directs its Chairman to execute any documents, certificates or reports required by the Code and to make such

elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Series 2021A Bonds.

(h) The requirements contained in this Section relating to the computation and payment of Excess Earnings shall not be applicable if all Gross Proceeds of the Series 2021A Bonds are expended in compliance with Section 1.148-7 of the Code.

(i) Notwithstanding any of the provisions of this Section, the Bond Trustee shall have no duty or responsibility with respect to the Rebate Fund except to follow the specific written instructions of the Obligor.

SECTION 3.17 COST OF ISSUANCE FUND. There is hereby created and established with the Bond Trustee a trust fund designated as the "St. Johns County Industrial Development Authority Senior Living Revenue Bonds (Vicar's Landing Project), Series 2021A Cost of Issuance Fund" (the "Cost of Issuance Fund"). The Bond Trustee shall disburse moneys in the Cost of Issuance Fund as provided in Article IV of the Loan Agreement. Moneys in the Cost of Issuance Fund may be used only for payment of the Cost of Issuance. On the earlier of (a) the day the Bond Trustee receives a certificate of the Obligor to the effect that all Cost of Issuance relating to the Series 2021A Bonds has been paid, or (b) the 180th day following the Delivery Date, any moneys remaining in the Cost of Issuance Fund shall be transferred to the Project Account of the Construction Fund, and thereafter no such moneys shall be used to pay Costs of Issuance. The Cost of Issuance Fund shall then be closed.

ARTICLE IV COVENANTS OF THE ISSUER

SECTION 4.01 PERFORMANCE OF COVENANTS; AUTHORITY. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Indenture of Trust, in any and every Series 2021A Bond and in all proceedings of the Issuer pertaining hereto; provided, however, that except for the covenant of the Issuer set forth in Section 4.02 hereof relating to payment of the Series 2021A Bonds, the Issuer shall not be obligated to take any action or execute any instrument pursuant to any provision hereof until it shall have been requested to do so by the Obligor or by the Bond Trustee, or shall have received the instrument to be executed and at the option of the Issuer shall have received from the party requesting such execution assurance satisfactory to the Issuer that the Issuer shall be reimbursed for its reasonable expenses incurred or to be incurred in connection with taking such action or executing such instrument. The Issuer covenants that it is duly authorized under the laws of the State of Florida, including particularly and without limitation the Act, to issue the Series 2021A Bonds and to execute this Indenture of Trust, and to pledge the revenues and receipts hereby pledged, and to assign its rights under and pursuant to the Loan Agreement and the Series 2021A Note in the manner and to the extent herein set forth, that all action on its part and to the extent herein set forth, that all action on its part for the issuance of the Series 2021A Bonds and the execution and delivery of this Indenture of Trust has been duly and effectively taken and will be duly taken as provided herein, and that the Series 2021A Bonds in the hands of the owners thereof are and will be valid and enforceable limited obligations of the Issuer according to the import hereof, except as enforcement thereof and hereof may be limited by bankruptcy,

insolvency, moratorium, reorganization and other similar laws affecting the rights of creditors and by the application of general principles of equity, if such remedies are pursued.

SECTION 4.02 PAYMENTS OF PRINCIPAL, PREMIUM, IF ANY, AND INTEREST. The Issuer will promptly pay or cause to be paid the principal of, premium, if any, and interest on all Series 2021A Bonds issued hereunder according to the terms hereof. The principal, premium, if any, and interest payments are payable solely from revenues and other amounts derived from the Series 2021A Note, and from the other security pledged hereby, which revenues and security are hereby specifically pledged to the payment thereof in the manner and to the extent herein specified. Nothing in the Series 2021A Bonds or in this Indenture of Trust shall be considered or construed as pledging any funds or assets of the Issuer other than those pledged hereby.

SECTION 4.03 SUPPLEMENTAL INDENTURES; RECORDATION OF BOND INDENTURE AND SUPPLEMENTAL INDENTURES. The Issuer will execute and deliver all indentures supplemental hereto, and will cause this Indenture of Trust, the Loan Agreement, and all supplements hereto and thereto, as well as all security instruments and financing statements relating thereto, to be filed in each office required by law in order to publish notice of the liens created by this Indenture of Trust and the Loan Agreement. The Bond Trustee, at the Obligor's expense will cause all continuation statements and all supplements to any financing statement or continuation statement and other instruments as may be required, at all times to be recorded, registered and filed in such manner and in such places as may be required by law in order fully to preserve and protect the security of the Bondholders and all rights of the Bond Trustee hereunder. Notwithstanding the preceding sentence, the Bond Trustee shall not be liable for failure to effect any such filings.

SECTION 4.04 LIEN OF BOND INDENTURE. The Issuer hereby agrees not to create any lien having priority or preference over the lien of this Indenture of Trust upon the Trust Estate or any part thereof, other than the security interest granted by it to the Bond Trustee, except as otherwise specifically provided in Article VIII hereof. The Issuer agrees that no obligations the payment of which is secured by payments or other moneys or amounts derived from the Loan Agreement and the other sources provided herein will be issued by it except in accordance with Sections 2.09 and 2.10 of this Indenture of Trust.

SECTION 4.05 RIGHTS UNDER THE LOAN AGREEMENT. The Issuer will observe all of the obligations, terms and conditions required on its part to be observed or performed under the Loan Agreement. The Issuer agrees that wherever in the Loan Agreement it is stated that the Issuer will notify the Bond Trustee, give the Bond Trustee some right or privilege, or in any way attempts to confer upon the Bond Trustee the ability for the Bond Trustee to protect the security for payment of the Bonds, that such part of the Loan Agreement shall be as though it were set out in this Indenture of Trust in full.

The Issuer agrees that the Bond Trustee as assignee of the Loan Agreement may enforce, in its name or in the name of the Issuer, all rights of the Issuer (except those rights of the Issuer to indemnification and payment under Sections 5.7, 7.5 and 9.5 thereof) and all obligations of the Obligor under and pursuant to the Loan Agreement for and on behalf of the Bondholders, whether or not the Issuer is in default hereunder.

SECTION 4.06 TAX COVENANTS. (a) The Issuer covenants and agrees that until the final maturity of the Bonds, based upon the Obligor's covenants in Section 4.9 of the Loan Agreement, it will not knowingly take any action, use any money on deposit in any fund or account maintained in connection with the Series 2021A Bonds, whether or not such money was derived from the proceeds of the sale of the Series 2021A Bonds or from any other source, in a manner that would cause the Series 2021A Bonds to be arbitrage bonds, within the meaning of Section 148 of the Code. In the event the Obligor notifies the Issuer that it is necessary to restrict or limit the yield on the investment of moneys held by the Bond Trustee pursuant to this Indenture of Trust, or to use such moneys in any certain manner to avoid the Series 2021A Bonds being considered arbitrage bonds, the Issuer at the written direction and expense of the Obligor shall deliver to the Bond Trustee appropriate written instructions of the Issuer, in which event the Bond Trustee shall take such action as instructed to restrict or limit the yield on such investment or to use such moneys in accordance with such instructions.

(b) The Issuer shall not knowingly use any proceeds of Series 2021A Bonds or any other funds of the Issuer, directly or indirectly, in any manner, and shall not knowingly take any other action or actions, that would result in any of the Series 2021A Bonds being treated other than as an obligation described in Section 103(a) of the Code.

(c) The Issuer will not knowingly use any portion of the proceeds of the Series 2021A Bonds, including any investment income earned on such proceeds, directly or indirectly, to make or finance loans to Persons who are not "Exempt Persons." For purposes of the preceding sentence, a loan to an organization described in Section 501(c)(3) of the Code for use with respect to an unrelated trade or business, determined according to Section 513(a) of the Code, constitutes a loan to a Person who is not an "Exempt Person."

(d) The Issuer will not knowingly take any action that would result in all or any portion of the Series 2021A Bonds being treated as federally guaranteed within the meaning of Section 149(b)(2) of the Code.

(e) For purposes of this Section, the Issuer's compliance shall be based solely on acts or omissions by the Issuer, and no acts, omissions or directions of the Obligor, the Bond Trustee or any other Persons shall be attributable to the Issuer.

SECTION 4.07 CHANGE IN LAW. To the extent that published rulings of the Internal Revenue Service, or amendments to the Code modify the covenants of the Issuer that are set forth in this Indenture of Trust or that are necessary for interest on the Series 2021A Bonds to be excludable from gross income for federal income tax purposes, the Issuer, upon receiving the written Opinion of Bond Counsel to such effect, will comply, at the expense of the Obligor, with such modifications and direct the Bond Trustee to take such action as may be required to comply with such modifications.

SECTION 4.08 PROGRAM INVESTMENT. The proceeds of the Series 2021A Bonds are to be used to finance the Project. With respect to the Series 2021A Bonds, the Issuer asserts:

(a) At least 95 percent of all obligations acquired with the proceeds of the Series 2021A Bonds, by amount of cost outstanding, will be evidences of loans to a substantial number of persons representing the general public, loans to exempt persons, or loans to provide housing and related facilities, or any combination of the foregoing.

(b) At least 95 percent of all amounts received by the Issuer with respect to the Series 2021A Bonds will be used for one or more of the following purposes: to make loans to exempt organizations, to pay the principal or interest or otherwise to service the debt on the Bonds; to reimburse the Issuer or to pay for administrative costs of issuing such obligations; or to redeem or retire such Series 2021A Bonds of the Issuer at the next earliest possible date of redemption.

(c) Any person or any related party, as defined in Section 1.150-1 of the Code, as amended, from whom the Issuer may acquire obligations, shall not, pursuant to an arrangement, formal or informal, purchase the Issuer's bonds in an amount related to the amount of the obligations to be acquired from such person by the Issuer.

(d) The Issuer does not waive the right to treat the Loan Agreement as a program investment.

ARTICLE V REDEMPTION OF BONDS

SECTION 5.01 OPTIONAL REDEMPTION OF BONDS.

(a) Optional Redemption of Series 2021A Bonds. The Series 2021A Bonds are subject to optional redemption prior to maturity by the Issuer, at the written direction of the Obligor, on or after ____, __, 20__, at any time as a whole or in part by lot (subject to the requirements of Section 5.03 hereof with respect to partial redemptions), at the following redemption prices (expressed as a percentage of the principal amount to be redeemed), plus accrued interest to the redemption date:

Redemption Period (Dates Inclusive)	Redemption Price
____, __, 20__ through ____, __, 20__	103%
____, __, 20__ through ____, __, 20__	102
____, __, 20__ through ____, __, 20__	101
____, __, 20__ and thereafter	100

SECTION 5.02 SINKING FUND REDEMPTION. The Series 2021A Bonds in this Section are subject to mandatory bond sinking fund redemption are referred to herein as the "Series 2021A Term Bonds."

The Series 2021A Bonds maturing on ____, __, 20__ are subject to mandatory bond sinking fund redemption at a redemption price equal to 100% of the principal amount thereof and accrued interest to the redemption date, without premium, as follows:

Series 2021A Bonds Maturing on _____, __, 20__

Redemption Date (_____ of the year)	Principal Amount
--	------------------

*Maturity.

The Series 2021A Bonds maturing on _____, __, 20__ are subject to mandatory bond sinking fund redemption at a redemption price equal to 100% of the principal amount thereof and accrued interest to the redemption date, without premium, as follows:

Series 2021A Bonds Maturing on _____, __, 20__

Redemption Date (_____ of the year)	Principal Amount
--	------------------

*Maturity.

The deposits described above shall be reduced (i) by the amount of Series 2021A Bonds acquired and delivered to the Trustee no later than seventy-five (75) days prior to the redemption date in the open market at a price not exceeding the redemption price in accordance with the provisions of the Bond Indenture in satisfaction of such bond sinking fund requirements and (ii) in connection with a partial redemption of Series 2021A Bonds if the Obligor elects to reduce mandatory bond sinking fund redemptions for the Series 2021A Bonds in the manner provided in the Bond Indenture.

On or before the thirtieth day prior to each sinking fund payment date, the Bond Trustee shall proceed to select for redemption (by lot in such manner as the Bond Trustee may determine) from all Series 2021A Term Bonds Outstanding, a principal amount of such Series 2021A Bonds equal to the Aggregate Principal Amount of such Series 2021A Term Bonds redeemable with the required sinking fund payment, and shall call such Series 2021A Term Bonds or portions thereof (\$5,000 or any integral multiple of \$5,000 in excess thereof) for redemption from the sinking fund on the next _____, and give notice of such call. At the option of the Obligor to be exercised by delivery of a written certificate to the Bond Trustee on or before the forty-fifth day next preceding any sinking fund redemption date, it may (i) deliver to the Bond Trustee for cancellation Series

2021A Bonds or portions of Series 2021A Term Bonds, as the case may be, in an Aggregate Principal Amount desired by the Obligor, or (ii) specify a principal amount of Series 2021A Bonds or portions of Series 2021A Term Bonds, as the case may be, which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and canceled by the Bond Trustee at the request of the Obligor and not theretofore applied as a credit against any sinking fund redemption obligation. Each such Bond or portion thereof so delivered or previously redeemed shall be credited by the Bond Trustee at 100% of the principal amount thereof against the obligation of the Issuer to redeem Series 2021A Term Bonds on such sinking fund redemption date. Any excess shall be credited against the next sinking fund redemption obligation to redeem Series 2021A Term Bonds. In the event that the Obligor shall avail itself of the provisions of clause (i) of the second sentence of this paragraph, the certificate required by the second sentence of this paragraph shall be accompanied by the Series 2021A Term Bonds or portions thereof to be canceled.

SECTION 5.03 METHOD OF SELECTION OF BONDS IN CASE OF PARTIAL REDEMPTION.

(a) In the event that less than all of the Outstanding Series 2021A Bonds or portions thereof are to be redeemed as provided in Sections 5.01, 5.08 or 5.09 hereof, the Obligor may select the particular maturities to be redeemed. If less than all Series 2021A Bonds or portions thereof of a single maturity are to be redeemed, they shall be selected by the Securities Depository or by lot.

(b) If a Series 2021A Bond is of a denomination larger than the minimum Authorized Denomination, a portion of such Series 2021A Bond may be redeemed, but Series 2021A Bonds shall be redeemed only in the principal amount of an Authorized Denomination and no Series 2021A Bond may be redeemed in part if the principal amount to be Outstanding following such partial redemption is not an Authorized Denomination.

SECTION 5.04 NOTICE OF REDEMPTION.

(a) Series 2021A Bonds shall be called for optional redemption by the Bond Trustee as herein provided upon receipt by the Bond Trustee at least 45 days (or such shorter time as agreed to by the Bond Trustee) prior to the redemption date of a certificate of the Obligor specifying the principal amount of Series 2021A Bonds to be called for redemption, the applicable redemption price or prices and the provision or provisions of this Indenture of Trust pursuant to which such Series 2021A Bonds are to be called for redemption. The provisions of the preceding sentence shall not apply to the redemption of Series 2021A Bonds pursuant to the sinking fund provided in Section 5.02 hereof, and such Series 2021A Bonds shall be called for redemption by the Bond Trustee without the necessity of any action by the Obligor or the Issuer. In case of every redemption (except those related to the Sinking Fund), the Bond Trustee shall cause notice of such redemption to be given by Electronic Means (as defined in the Section 9.01(a) hereof) or by mailing by first class mail, postage prepaid, a copy of the redemption notice to the owners of the Series 2021A Bonds designated for redemption in whole or in part, at their addresses as the same shall last appear upon the registration books, in each case not more than 60 nor less than 30 days prior to the redemption date. In addition, notice of redemption shall be sent by first class or registered mail, return receipt requested, or by overnight delivery service (1) contemporaneously

with such mailing to any owner of \$1,000,000 or more in principal amount of Series 2021A Bonds, and (2) to any securities depository registered as such pursuant to the Securities Exchange Act of 1934, as amended, that is an owner of Series 2021A Bonds to be redeemed so that such notice is received at least two days prior to such mailing date; provided, however, the failure to give such aforementioned notice shall not affect the validity of any proceedings for the redemption of such Series 2021A Bonds if notice is given in accordance with the prior sentence.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) the identification, including complete designation (including series) and issue date of the Series 2021A Bonds and the CUSIP number (and in the case of partial redemption, certificate number and the respective principal amounts, interest rates and maturity dates) of the Series 2021A Bonds to be redeemed,
- (4) that on the redemption date the redemption price will become due and payable upon each such Series 2021A Bonds, and that interest thereon shall cease to accrue from and after said date,
- (5) the name and address of the Bond Trustee and any paying agent for such Bonds, including the place where such Series 2021A Bonds are to be surrendered for payment of the redemption price and the name and phone number of a contact person at such address.

Provided, however, any defect in such notice, shall not affect the validity of any proceedings for the redemption of such Series 2021A Bonds.

(b) Notwithstanding the foregoing or any other provision hereof, notice of optional redemption pursuant to this Section 5.04 may, upon written direction of the Obligor to the Issuer, be conditioned upon the occurrence or non-occurrence of such event or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the Issuer upon written direction of the Obligor to the Trustee if expressly set forth in such notice.

SECTION 5.05 BONDS DUE AND PAYABLE ON REDEMPTION DATE; INTEREST CEASES TO ACCRUE. On or before the Business Day prior to the redemption date specified in the notice of redemption, an amount of money sufficient to redeem all Series 2021A Bonds called for redemption at the appropriate redemption price, including accrued interest to the date fixed for redemption, shall be deposited with the Bond Trustee. On the redemption date the principal amount of each Series A Bond to be redeemed, together with the accrued interest thereon to such date and redemption premium, if any, shall become due and payable; and from and after such date, notice having been given and deposit having been made in accordance with the provisions of this Article V, then, notwithstanding that any Series 2021A Bonds called for redemption shall not have been surrendered, no further interest shall accrue on any such Series 2021A Bonds. From and after such date of redemption (such notice having been given and such

deposit having been made), the Series 2021A Bonds to be redeemed shall not be deemed to be Outstanding hereunder, and the Issuer shall be under no further liability in respect thereof.

SECTION 5.06 CANCELLATION. All Series 2021A Bonds which have been redeemed shall be cancelled by the Bond Trustee and treated as provided in Section 2.10 hereof.

SECTION 5.07 PARTIAL REDEMPTION OF FULLY REGISTERED BONDS. Upon surrender of any fully registered Series 2021A Bond for redemption in part only, the Issuer shall execute and the Bond Trustee shall authenticate and deliver to the owner thereof, at the expense of the Obligor, a new Series 2021A Bond or Bonds of the same series and of the same maturity of Authorized Denominations in an Aggregate Principal Amount equal to the unredeemed portion of the Series 2021A Series 2021A Bond surrendered.

SECTION 5.08 EXTRAORDINARY OPTIONAL REDEMPTION. The Series 2021A Bonds shall be subject to optional redemption by the Issuer at the written direction of the Obligor prior to their scheduled maturities, in whole or in part by lot (subject to the requirements of Section 5.03 hereof with respect to partial redemptions) at a redemption price equal to the principal amount thereof plus accrued interest from the most recent interest payment date to the redemption date on any date following the occurrence of any of the following events:

(1) in case of damage or destruction to, or condemnation of, any property, plant, and equipment of any Obligated Group Member, to the extent that the net proceeds of insurance or condemnation award exceed the Threshold Amount (as defined in the Master Indenture) and the Obligor has determined not to use such net proceeds or award to repair, rebuild or replace such property, plant, and equipment; or

(2) as a result of any changes in the Constitution or laws of the State of Florida or of the United States of America or of any legislative, executive, or administrative action (whether state or federal) or of any final decree, judgment, or order of any court or administrative body (whether state or federal), the obligations of the Obligor under the Loan Agreement have become, as established by an Opinion of Counsel, void or unenforceable in each case in any material respect in accordance with the intent and purpose of the parties as expressed in the Loan Agreement.

SECTION 5.09 MANDATORY REDEMPTION FROM SURPLUS CONSTRUCTION FUND MONEY. The Series 2021A Bonds are subject to mandatory redemption in whole or in part on any date for which timely notice of redemption can be given by the Bond Trustee upon receipt of the Completion Certificate at a redemption price equal to the aggregate principal amount of the Series 2021A Bonds to be redeemed plus accrued interest to the redemption date, without premium, to the extent Surplus Construction Fund Moneys are transferred to the Principal Account of the Bond Fund. The Series 2021A Bonds shall be selected for redemption in accordance with Section 5.03 hereof. Any amount insufficient to cause Series 2021A Bonds remaining outstanding to be in an Authorized Denomination shall be held in the Principal Account and used to pay the next maturing principal of Series 2021A Bonds.

ARTICLE VI INVESTMENTS

SECTION 6.01 INVESTMENT OF BOND FUND, CONSTRUCTION FUND AND RESERVE FUND MONEYS. Any moneys held as part of the Bond Fund, Construction Fund or Reserve Fund shall be invested or reinvested by the Bond Trustee at the written request and direction of the Obligor (upon which the Bond Trustee is entitled to rely) in Permitted Investments. All Permitted Investments shall be either subject to redemption at any time at a fixed value at the option of the owner thereof or shall mature or be marketable not later than the Business Day prior to the date on which the proceeds are expected to be expended. For the purpose of any investment or replacement under this Section, the Permitted Investments shall be deemed to mature at the earliest date on which the Obligor is, on demand, obligated to pay a fixed sum in discharge of the whole of such obligation. The Bond Trustee may make any and all investments permitted by the provisions of this Section through its trust department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such investments. In order to comply with the directions of the Obligor, the Bond Trustee may sell, at the market price, or present for redemption, or may otherwise cause liquidation prior to their maturities, any of the obligations in which funds have been invested, and the Bond Trustee shall not be liable for any loss or penalty of any nature resulting therefrom. In order to avoid loss in the event of any need for funds, the Obligor may instruct the Bond Trustee, in lieu of a liquidation or redemption of investments in the fund or account needing funds, to exchange such investment for investments in another fund or account that may be liquidated at no, or at reduced, loss. The Bond Trustee shall be under no liability for interest on any moneys received hereunder unless specifically agreed to in writing. Notwithstanding anything to the contrary in this Section 6.01, (i) the Obligor shall not direct the Bond Trustee to purchase any Premium Security unless the written instructions of the Obligor to make such purchase set forth the amount of premium on such Premium Security, and (ii) the Obligor shall not direct the Bond Trustee to sell any Premium Security, unless prior to such sale, the Obligor has directed the Bond Trustee as to the amount of realized premium on such Premium Security to be transferred from the Funded Interest Account to the account in which such Premium Security was held.

The Bond Trustee shall conclusively rely upon the Obligor's written instructions as to both the suitability and legality of all directed investments. Ratings of investments shall be determined at the time of purchase of such investments and without regard to ratings subcategories. The Bond Trustee shall have no responsibility to monitor the ratings of investments after the initial purchase of such investments. In the absence of written investment instructions from the Obligor, the Bond Trustee shall not be responsible or liable for keeping the moneys held by it hereunder fully invested. Although the Issuer and the Obligor each recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, the Issuer and the Obligor hereby agree that broker confirmations of investments are not required to be issued by the Bond Trustee for each month in which a monthly statement is rendered or made available by the Bond Trustee.

SECTION 6.02 ALLOCATION AND TRANSFERS OF INVESTMENT INCOME. Any investments in any Fund shall be held by or under the control of the Bond Trustee and shall be deemed at all times a part of the Fund from which the investment was made. Any loss resulting from such investments shall be charged to such Fund. The Bond Trustee shall not

be liable for any loss or penalty resulting from any such investment made in accordance with any permitted direction by an Obligor or for the Series 2021A Bonds becoming "arbitrage bonds" by reason of any such investment. Any interest or other gain from any fund from any investment or reinvestment pursuant to Section 6.01 hereof shall be allocated and transferred as follows:

(a) Any interest or other gain realized as a result of any investments or reinvestments of moneys in the Funded Interest Account of the Construction Fund or the Project Account of the Construction Fund shall be credited to the Funded Interest Account of the Construction Fund until such Funded Interest Account of the Construction Fund expires, and thereafter, to the Interest Accounts of the Bond Fund pro rata based on the principal amount of each series of Bonds then outstanding.

(b) Any interest or other gain realized as a result of any investments or reinvestments of moneys in the Principal Accounts and the Interest Accounts of the Bond Fund shall be credited at least semiannually to the Interest Accounts of the Series 2021A Bonds unless a deficiency exists in the Reserve Fund, in which case such interest or other gain shall be paid into the Reserve Fund forthwith.

(c) Any interest or other gain realized as a result of any investments or reinvestments of moneys in the Reserve Fund shall be credited to the Reserve Fund if a deficiency exists therein at that time. If a deficiency does not exist in the Reserve Fund at that time, such interest or other gain on other amounts paid into such account in the Reserve Fund shall be paid during the construction period for the Project for deposit into the Project Account of the Construction Fund created in connection with the issuance of Series 2021A Bonds for the Project or at the option of the Obligor to the Funded Interest Account or if after the completion of such construction period, for deposit into the Interest Account of the Bond Fund for the Bonds secured by the Reserve Fund, in each case at least semiannually.

The Bond Trustee shall sell and reduce to cash a sufficient portion of such investments whenever the cash balance in any fund is insufficient for the purposes of such fund.

SECTION 6.03 VALUATION OF PERMITTED INVESTMENTS. Accounting and valuation of Permitted Investments in any Fund or Account will be performed as follows:

(a) On a monthly basis the Bond Trustee shall furnish to the Obligor a full and complete statement of all receipts and disbursements of Permitted Investments in any Fund and Account covering such period.

(b) The Bond Trustee shall also furnish on or before _____ of each year a statement of the assets contained in each Fund and Account. Assets will be valued at market value as of _____ by the Bond Trustee in such statement in accordance with the normal valuation procedures of the Bond Trustee; provided, however, in the event monies are withdrawn from an Account in the Reserve Fund for a deficiency in the Principal Account or Interest Account pursuant to Section 3.10(b) hereof, assets in the Reserve Fund shall also be valued as of the first Business Day after such transfer is made (such date and each _____ referred to as a "Valuation Date").

(c) If on any Valuation Date, the amount on deposit in the Reserve Fund is less than 90% of the Reserve Fund Requirement as a result of a decline in the market value of investments

on deposit in the Reserve Fund, the Obligor shall deposit with the Bond Trustee an amount necessary to restore the Reserve Fund to the Reserve Fund Requirement within 120 days following the date on which the Obligor receives notice of such deficiency.

(d) If at any time, the amount on deposit in the Reserve Fund is less than the Reserve Fund Requirement as a result of a draw on the Reserve Fund, the Obligor shall deposit with the Bond Trustee an amount necessary to restore the Reserve Fund to the Reserve Fund Requirement in not more than 12 substantially equal monthly installments beginning on the first day of the seventh month after the month in which such draw occurred.

(e) If, on ____, __, 20__ or ____, __, 20__, the amount on deposit in the Reserve Fund is less than the Reserve Fund Requirement in effect on ____, __, 20__ or ____, __, 20__, respectively, the Obligor shall deposit with the Bond Trustee an amount sufficient, together with Reserve Fund Obligations then on deposit in the Reserve Fund, to satisfy the Reserve Fund Requirement in effect on ____, __, 20__ or ____, __, 20__, respectively, in not more than 12 substantially equal monthly installments beginning on ____, __, 20__ or ____, __, 20__, respectively.

(f) The Issuer and the Obligor (by its execution of the Loan Agreement) acknowledge that to the extent the regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Issuer or the Obligor the right to receive individual confirmations of security transactions at no additional cost, as they occur, the Issuer and the Obligor specifically waive receipt of such confirmations to the extent permitted by law. The Bond Trustee will furnish the Issuer and the Obligor periodic cash transaction statements that include detail for all investment transactions made by the Bond Trustee hereunder.

ARTICLE VII DISCHARGE OF BOND INDENTURE

SECTION 7.01 DISCHARGE OF THE BOND INDENTURE. If, when the Series 2021A Bonds secured hereby shall become due and payable in accordance with their terms or otherwise as provided in this Indenture of Trust and the whole amount of the principal of, premium, if any, and interest due and payable upon all of the Series 2021A Bonds shall be paid, or provision shall have been made for the payment of the same, together with all other sums payable hereunder (including but not limited to the fees and expenses of the Bond Trustee and any Paying Agent, in accordance with Section 3.13 hereof), then the right, title and interest of the Bond Trustee in and to the Trust Estate and all covenants, agreements and other obligations of the Issuer to the Bondholders shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, upon the written request of the Issuer or of the Obligor, and upon receipt of an Opinion of Counsel to the effect that all conditions precedent herein provided relating to the satisfaction and discharge of this Indenture of Trust have been complied with, the Bond Trustee shall execute such documents as may be reasonably required by the Issuer and shall turn over to the Obligor any surplus in the Bond Fund, Reserve Fund and Construction Fund.

Outstanding Series 2021A Bonds shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in this Section if (i) in case said Series 2021A Bonds are to be redeemed on any date prior to their maturity, the Obligor

shall have given to the Bond Trustee in form satisfactory to it irrevocable written instructions to give on a date in accordance with the provisions of Section 5.04 hereof notice of redemption of such Series 2021A Bonds on said redemption date, such notice to be given in accordance with the provisions of Section 5.04 hereof, (ii) there shall have been deposited with the Bond Trustee (or another Paying Agent) either moneys in an amount which shall be sufficient, or Government Obligations which shall not contain provisions permitting the redemption thereof at the option of the issuer, or any other Person other than the holder thereof, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held by the Bond Trustee or any Paying Agent at the same time (including the Bond Fund and the Reserve Fund), shall be sufficient, in the opinion of an independent certified public accountant, to pay when due the principal of, premium, if any, and interest due and to become due on said Series 2021A Bonds on or prior to the redemption date or maturity date thereof, as the case may be, and (iii) in the event that said Series 2021A Bonds are not by their terms subject to redemption within the next 45 days, the Obligor shall have given the Bond Trustee in form satisfactory to it irrevocable written instructions to give, as soon as practicable in the same manner as the notice of redemption is given pursuant to Section 5.04 hereof, a notice to the owners of such Series 2021A Bonds that the deposit required by subclause (ii) above has been made with the Bond Trustee (or another depository) and that said Series 2021A Bonds are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal of, premium, if any, and interest on said Series 2021A Bonds. Neither the Government Obligations nor moneys deposited with the Bond Trustee pursuant to this Section nor principal or interest payments on any such Government Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of, premium, if any, and interest on said Series 2021A Bonds; provided any such cash received from such principal or interest payments on such Government Obligations deposited with the Bond Trustee, if not then needed for such purpose, shall, at the written direction of the Obligor, either (1) be reinvested, to the extent practicable, in Government Obligations of the type described in clause (ii) of this paragraph maturing at the times and in amounts sufficient to pay when due the principal of, premium, if any, and interest to become due on said Series 2021A Bonds on or prior to such redemption date or maturity date thereof, as the case may be, or (2) be used to pay principal and/or interest on the Series 2021A Bonds. At such time as any Series 2021A Bond shall be deemed paid as aforesaid, it shall no longer be secured by or entitled to the benefits of this Indenture of Trust, except for the purpose of any payment from such moneys or Government Obligations deposited with the Bond Trustee and the purpose of transfer and exchange pursuant to Section 2.05 hereof. The release of the obligations of the Issuer under this Section shall be without prejudice to the rights of the Bond Trustee to be paid reasonable compensation for all services rendered by it hereunder and all its reasonable and necessary expenses, charges and other disbursements incurred on or about the administration of the trust hereby created and the performance of its powers and duties hereunder.

ARTICLE VIII DEFAULTS AND REMEDIES

SECTION 8.01 EVENTS OF DEFAULT. If any of the following events occur, it is hereby defined as and shall be deemed an "Event of Default":

(a) Default in the payment of the principal of or premium, if any, on any Series 2021A Bond when the same shall become due and payable, whether at the stated maturity thereof, or upon proceedings for redemption or as required by the sinking fund provisions hereof or otherwise.

(b) Default in the payment of any installment of interest on any Series 2021A Bond when the same shall become due and payable.

(c) Declaration under the Master Indenture that the principal of, and accrued interest on, any Obligation issued thereunder is immediately due and payable.

(d) Failure by the Issuer in the performance or observance of any other of the covenants, agreements or conditions on its part in this Indenture of Trust or in the Series 2021A Bonds contained, which failure shall continue for a period of 60 days after written notice specifying such failure and requesting that it be remedied, is given to the Issuer and the Obligor by the Bond Trustee or to the Issuer, the Obligor and to the Bond Trustee by the owners of not less than 25% in principal amount of the Series 2021A Bonds Outstanding; provided that such failure is the result of the failure of the Obligor to perform its obligations under the Loan Agreement.

SECTION 8.02 REMEDIES ON EVENTS OF DEFAULT. Upon the occurrence of an Event of Default, the Bond Trustee shall have the following rights and remedies:

(a) The Bond Trustee shall, in the event that the payment of the principal of and accrued interest on the Series 2021A Note has been declared due and payable immediately by the Master Trustee, by notice in writing given to the Issuer and the Obligor, declare the principal amount of all Series 2021A Bonds then Outstanding and the interest accrued thereon to be immediately due and payable and said principal and interest shall thereupon become immediately due and payable. Upon any declaration of acceleration hereunder, the Bond Trustee shall give notice to the Bondholders in the same manner as a notice of redemption under Article V hereof, stating the date upon which the Series 2021A Note and the Series 2021A Bonds shall be payable.

The provisions of the preceding paragraph, however, are subject to the condition that if, after the payment of the principal of, and accrued interest on, the Series 2021A Note and the Series 2021A Bonds has been declared due and payable immediately, the declaration of the acceleration of the Series 2021A Note shall be annulled in accordance with the provisions of the Master Indenture, the declaration of the acceleration of the Series 2021A Bonds shall be automatically annulled, and the Bond Trustee shall promptly give written notice of such annulment to the Issuer and the Obligor and notice to Bondholders in the same manner as a notice of redemption under Article V hereof; but no such annulment shall extend to or affect any subsequent Event of Default or impair any right or remedy consequent thereon.

(b) The Bond Trustee may, by mandamus, or other suit, action or proceeding at law or in equity, enforce the rights of the Bondholders, and require the Issuer or the Obligor or both of them to carry out the agreements with or for the benefit of the Bondholders and to perform its or their duties under the Act, the Loan Agreement and this Indenture of Trust.

(c) The Bond Trustee may, by action or suit in equity, require the Issuer to account as if it were the trustee of an express trust for the Bondholders but any such judgment against the

Issuer shall be enforceable only against the funds and accounts hereunder in the hands of the Bond Trustee.

(d) The Bond Trustee may, by action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders.

(e) The Bond Trustee may, upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Bond Trustee and the Bondholders, have appointed a receiver or receivers of the Trust Estate upon a showing of good cause with such powers as the court making such appointment may confer.

No right or remedy is intended to be exclusive of any other right or remedy, but each and every such right or remedy shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

If any Event of Default shall have occurred and if requested in writing by the owners of at least 25% in Aggregate Principal Amount of Series 2021A Bonds then Outstanding and indemnified as provided in Section 9.01(m) hereof (except the remedy under Section 8.02(a) above, for which no indemnity may be required), the Bond Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Section as it, being advised by counsel, shall deem most expedient in the interests of such Bondholders. In the event the Bond Trustee shall receive inconsistent or conflicting requests and indemnity from two or more groups of owners of Outstanding Series 2021A Bonds, each representing less than a majority of the aggregate principal amount of the Outstanding Series 2021A Bonds, the Bond Trustee, in its sole discretion, may determine what action, if any, shall be taken.

SECTION 8.03 MAJORITY OF BONDHOLDERS MAY CONTROL PROCEEDINGS. Anything in this Indenture of Trust to the contrary notwithstanding the owners of at least a majority in Aggregate Principal Amount of the Series 2021A Bonds then Outstanding shall have the right, at any time, to the extent permitted by law, by an instrument or instruments in writing executed and delivered to the Bond Trustee, to direct the time, method, and place of conducting all proceedings, to be taken in connection with the enforcement of the terms and conditions of this Indenture of Trust, or for the appointment of a receiver, and any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions hereof. The Bond Trustee shall not be required to act on any direction given to it pursuant to this Section until indemnity as set forth in Section 9.01(m) hereof is provided to it by such Bondholders.

SECTION 8.04 RIGHTS AND REMEDIES OF BONDHOLDERS. No owner of any Series 2021A Bond shall have any right to institute any suit, action, or proceeding in equity or at law for the enforcement of this Indenture of Trust or for the execution of any trust hereof or for the appointment of a receiver or any other applicable remedy hereunder, unless a default has occurred of which the Bond Trustee has been notified as provided in Section 9.01 hereof, or of which by said Section it is deemed to have notice, nor unless such default shall have become an Event of Default and the owners of at least a majority in Aggregate Principal Amount of Series 2021A Bonds then Outstanding shall have made written request to the Bond Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to

institute such action, suit, or proceeding in their own names, nor unless they have also offered to the Bond Trustee indemnity as provided in Section 9.01(m) hereof, nor unless the Bond Trustee shall thereafter fail or refuse to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its own name; and such notification, request, and offer of indemnity are hereby declared in every case at the option of the Bond Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture of Trust, and to any action or cause of action for the enforcement of this Indenture of Trust, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more owners of the Series 2021A Bonds shall have the right in any manner whatsoever to affect, disturb, or prejudice the lien of this Indenture of Trust by his, her, its, or their action or to enforce any right hereunder except in the manner herein provided and that all proceedings at law or in equity shall be instituted, had, and maintained in the manner herein provided and for the equal benefit of the owners of all Series 2021A Bonds then Outstanding. Nothing in this Indenture of Trust contained shall, however, affect or impair the right of any owner of Series 2021A Bonds to enforce the payment of the principal of, premium, if any, or interest on any Series 2021A Bond at and after the maturity thereof, or the obligation of the Issuer to pay the principal of, premium, if any, and interest on each of the Series 2021A Bonds to the respective owners of the Series 2021A Bonds at the time and place, from the source and in the manner herein, and in the Series 2021A Bonds expressed.

SECTION 8.05 APPLICATION OF MONEYS.

(a) Subject to the provisions of subparagraph (c) hereof, all moneys received by the Bond Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs and expenses (including reasonable attorney fees) of the proceedings resulting in the collection of such moneys and the expenses, liabilities, and advances incurred or made by the Bond Trustee and the then outstanding fees of the Bond Trustee, be deposited into the Bond Fund, and all moneys so deposited into the Bond Fund and all moneys held in or deposited into the Bond Fund during the continuance of an Event of Default and available for payment of the Series 2021A Bonds under the provisions of Section 3.04 hereof shall (after payment of the fees and expenses of the Bond Trustee and the Issuer) be applied as follows:

(i) Unless the principal of all of the Series 2021A Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

First: To the payment to the Persons entitled thereto of all installments of interest then due on the Series 2021A Bonds in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege; and

Second: To the payment to the Persons entitled thereto of the unpaid principal of any of the Series 2021A Bonds which shall have become due (other than Series 2021A Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture of Trust), in the order of their due dates, with interest on such Series 2021A Bonds from the respective dates upon which they become due at the rate of interest borne by such Series 2021A Bonds and, if the amount available shall not be sufficient to pay in full Series 2021A Bonds due on any particular date, together with such interest, then to the payment ratably, according to the

amount of principal due on such date, to the persons entitled thereto, without any discrimination or privilege.

(ii) If the principal of all the Series 2021A Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon all of the Series 2021A Bonds (together with interest on overdue installments of principal at the rate of interest borne by each Series 2021A Bond), without preference or priority of principal over interest, any other installment of interest, or of any Series 2021A Bond over any other Series 2021A Bond, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or privilege.

(iii) If the principal of all the Series 2021A Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article then, subject to the provisions of paragraph (ii) of this Section in the event that the principal of all the Series 2021A Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of the foregoing paragraph (i) of this Section.

(b) Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Bond Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Bond Trustee shall apply such moneys, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Bond Trustee shall give such notice as it may deem appropriate of the deposit of any such moneys and of the fixing of any such date, and shall not be required to make payment to the owner of any unpaid Series 2021A Bond until such unpaid Series 2021A Bond shall be presented to the Bond Trustee for appropriate endorsement or for cancellation if fully paid.

(c) Whenever all of the Series 2021A Bonds and interest thereon have been paid under the provisions of this Section and all expenses and fees of the Bond Trustee and the Paying Agents and all Administration Expenses have been paid, any balance remaining in any funds shall be paid to the Obligor as provided in Section 3.15 hereof.

SECTION 8.06 BOND TRUSTEE MAY ENFORCE RIGHTS WITHOUT BONDS. All rights of action and claims under this Indenture of Trust or any of the Series 2021A Bonds Outstanding hereunder may be enforced by the Bond Trustee without the possession of any of the Series 2021A Bonds or the production thereof in any trial or proceedings relative thereto; and any suit or proceeding instituted by the Bond Trustee shall be brought in its name as Bond Trustee, without the necessity of joining as plaintiffs or defendants any owners of the Series 2021A Bonds and any recovery of judgment shall be for the ratable benefit of the owners of the Series 2021A Bonds, subject to the provisions of this Indenture of Trust.

SECTION 8.07 BOND TRUSTEE TO FILE PROOFS OF CLAIM IN RECEIVERSHIP, ETC. In the case of any receivership, insolvency, bankruptcy, reorganization,

arrangement, adjustment, composition, or other judicial proceedings affecting the Obligor, the Bond Trustee shall, to the extent permitted by law, be entitled to file such proofs of claims and other documents as may be necessary or advisable in order to have claims of the Bond Trustee and of the Bondholders allowed in such proceedings for the entire amount due and payable by the Issuer under this Indenture of Trust or by the Obligor at the date of the institution of such proceedings and for any additional amounts which may become due and payable by it after such date, without prejudice, however, to the right of any Bondholder to file a claim in his, her or its own behalf.

No provision of this Indenture of Trust empowers the Bond Trustee to authorize, consent to, accept or adopt on behalf of any Bondholder any plan or reorganization, arrangement, adjustment or composition affecting any of the rights of any Bondholders, or authorizes the Bond Trustee to vote in respect of the claim in any proceeding described in this Section.

In the event the Bond Trustee incurs expenses or renders services in any proceedings affecting the Obligor and described in this Section, the expenses so incurred and compensation for services so rendered are intended to constitute expenses of administration under the United States Bankruptcy Code or equivalent law.

SECTION 8.08 DELAY OR OMISSION NO WAIVER. No delay or omission of the Bond Trustee or of any Bondholder to exercise any right or power accruing upon any default or Event of Default shall exhaust or impair any such right or power or shall be construed to be a waiver of any such default or Event of Default, or acquiescence therein; and every power and remedy given by this Indenture of Trust may be exercised from time to time and as often as may be deemed expedient.

SECTION 8.09 DISCONTINUANCE OF PROCEEDINGS ON DEFAULT, POSITION OF PARTIES RESTORED. In case the Bond Trustee shall have proceeded to enforce any right under this Indenture of Trust, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Bond Trustee, then and in every such case the Issuer and the Bond Trustee shall be restored to their former positions and rights hereunder with respect to the Trust Estate, and all rights, remedies, and powers of the Bond Trustee shall continue as if no such proceedings had been taken.

SECTION 8.10 ENFORCEMENT OF RIGHTS. The Bond Trustee, as pledgee and assignee for security purposes of all the right, title, and interest of the Issuer in and to the Loan Agreement (except those rights of the Issuer under Section 5.7, 7.5, and 9.5 thereof) and the Series 2021A Note shall, upon compliance with applicable requirements of law and except as otherwise set forth in this Article VIII, be the sole real party in interest in respect of, and shall have standing, exclusive of owners of Series 2021A Bonds to enforce each and every right granted to the Issuer under the Loan Agreement and under the Series 2021A Note. The Issuer and the Bond Trustee hereby agree, without in any way limiting the effect and scope thereof, that the pledge and assignment hereunder to the Bond Trustee of any and all rights of the Issuer in and to the Series 2021A Note and the Loan Agreement shall constitute an agency appointment coupled with an interest on the part of the Bond Trustee which, for all purposes of this Indenture of Trust, shall be irrevocable and shall survive and continue in full force and effect notwithstanding the bankruptcy or insolvency of the Issuer or its default hereunder or on the Series 2021A Bonds. Subject to

Section 9.01 hereof, in exercising such right and the rights given the Bond Trustee under this Article VIII, the Bond Trustee shall take such action as, in the judgment of the Bond Trustee, would best serve the interests of the Bondholders, taking into account the provisions of the Master Indenture, together with the security and remedies afforded to owners of the Series 2021A Note.

SECTION 8.11 UNDERTAKING FOR COSTS. All parties to this Indenture of Trust agree, and each Bondholder by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture of Trust, or in any suit against the Bond Trustee for any action taken or omitted by it as Bond Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Bond Trustee, to any suit instituted by any Bondholder, or group of Bondholders, holding in aggregate more than 10% in principal amount of the Outstanding Series 2021A Bonds, or to any suit instituted by a Bondholder for the enforcement of the payment of the principal of (or premium, if any) or interest on any Series 2021A Bond on or after the respective maturities thereof expressed in such Series 2021A Bond (or, in the case of redemption, on or after the redemption date).

SECTION 8.12 WAIVER OF EVENTS OF DEFAULT. The Bond Trustee may in its discretion waive any Event of Default hereunder and its consequences, and shall do so upon the written request of the Owners of a majority in aggregate principal amount of the Series 2021A Bonds then Outstanding; provided, however, that the Bond Trustee may not waive an Event of Default described in subparagraph (a) of Section 8.01 hereof without the written consent of the Registered Owners of all Series 2021A Bonds then Outstanding; and provided, further, that notwithstanding anything to the contrary in this Indenture of Trust, the Issuer shall have the sole ability to waive any Event of Default in connection with the covenants and obligations of the Obligor under Section 4.10 of the Loan Agreement.

ARTICLE IX CONCERNING THE BOND TRUSTEE AND PAYING AGENTS

SECTION 9.01 DUTIES OF THE BOND TRUSTEE. The Bond Trustee hereby accepts the trust imposed upon it by this Indenture of Trust and agrees to perform said trusts, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture of Trust against the Bond Trustee:

(a) The Bond Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture of Trust. In case an Event of Default has occurred (which has not been cured) the Bond Trustee shall exercise such of the rights and powers vested in it by this Indenture of Trust and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(b) The Bond Trustee may execute any of the trusts or powers hereof and perform any of its duties hereunder, either directly or by or through attorneys, agents, receivers, or employees, and the Bond Trustee shall not be responsible for any misconduct or negligence on the part of any receiver, agent or attorney appointed with due care by it hereunder, and shall be entitled to act upon an Opinion of Counsel concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers, and employees as may reasonably be employed in connection with the trust hereof. The Bond Trustee may act upon an Opinion of Counsel and shall not be responsible for any loss or damage resulting from any action or nonaction taken by or omitted to be taken in good faith in reliance upon such Opinion of Counsel.

(c) The Bond Trustee shall not be responsible for any recital herein or in the Series 2021A Bonds (except in respect to the certificate of authentication by the Bond Trustee endorsed on the Series 2021A Bonds and the acceptance of the trusts hereunder).

(d) The Bond Trustee shall not be accountable for the use of any Series 2021A Bonds authenticated or delivered hereunder or the proceeds thereof, or for any moneys disbursed by the Bond Trustee in accordance with this Indenture of Trust. The Bond Trustee makes no representations as to the validity or sufficiency of this Indenture of Trust or the Series 2021A Bonds. The Bond Trustee is not a party to, is not responsible for, and makes no representations with respect to matters set forth in any preliminary or final official statement, or similar document prepared and distributed in connection with the sale of the Series 2021A Bonds and shall have no responsibility for compliance with any State or federal securities laws in connection with the Series 2021A Bonds. The Bond Trustee may become the owner of the Series 2021A Bonds with the same rights which it would have if not Bond Trustee.

(e) The Bond Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram, teletransmission or other paper or document reasonably believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any request or direction of the Issuer or the Obligor mentioned herein shall be sufficiently evidenced by a written request, order, or consent signed in the name of the Issuer or Obligor, by the Issuer Representative, or Obligor, as the case may be. Any action taken by the Bond Trustee pursuant to this Indenture of Trust upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any Series 2021A Bonds shall be conclusive and binding upon all future owners of the same Series 2021A Bond and upon Series 2021A Bonds issued in place thereof.

(f) As to the existence or nonexistence of any fact or matter or as to the sufficiency or validity of any instrument, paper, or proceeding, the Bond Trustee shall be entitled to rely and shall be protected in acting or refraining to act upon a certificate signed on behalf of the Issuer or the Obligor by the Issuer Representative or Obligor or such other person as may be designated for such purpose as sufficient evidence of the facts therein contained, and prior to the occurrence of a default of which the Bond Trustee has been notified as provided in subsection (h) of this Section, or of which by said subsection it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction, or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Bond Trustee to do things enumerated in this Indenture of Trust shall not be construed as a duty (except as otherwise herein provided) and the Bond Trustee shall not be answerable for other than its own negligence or willful misconduct, except that:

(1) the Bond Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bond Trustee was negligent in ascertaining the pertinent facts;

(2) the Bond Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Bondholders of at least a majority in Aggregate Principal Amount of the Outstanding Series 2021A Bonds relating to the time, method, and place of conducting any proceeding for any remedy available to the Bond Trustee, or exercising any trust or power conferred upon the Bond Trustee, under this Indenture of Trust; and

(3) the Bond Trustee shall not be liable if the Bond Trustee reasonably relies in good faith upon an Officer's Certificate delivered pursuant to this Indenture of Trust or an Opinion of Counsel.

(h) The Bond Trustee shall not be required to take notice or be deemed to have notice of any default hereunder except failure by the Issuer to cause to be made any of the payments to the Bond Trustee required to be made by Article III hereof unless the Bond Trustee shall be specifically notified in writing of such default by the Issuer or by the owners of at least a majority in Aggregate Principal Amount of Series 2021A Bonds then Outstanding and all notices or other instruments required by this Indenture of Trust to be delivered to the Bond Trustee, must, in order to be effective, be delivered to a Responsible Officer at the designated corporate trust office of the Bond Trustee, and in the absence of such notice so delivered, the Bond Trustee may conclusively assume there is no default except as aforesaid.

(i) All moneys received by the Bond Trustee shall, until used or applied or invested as herein provided, be held in trust in the manner and for the purposes for which they were received, but need not be segregated from other funds except to the extent required by this Indenture of Trust or law.

(j) At any and all reasonable times the Bond Trustee and its duly authorized agents, attorneys, experts, engineers, accountants, and representatives shall have the right, but shall not be required, to inspect the Project, including all books, papers, and records of the Issuer and the Obligor pertaining to the Project and the Series 2021A Bonds.

(k) The Bond Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises, and no provision of this Indenture of Trust shall require the Bond Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, without regard to whether it shall have grounds for believing that repayment of such funds or indemnity satisfactory against such risk or liability is not assured to it.

(l) Notwithstanding anything in this Indenture of Trust contained, the Bond Trustee shall have the right, but shall not be required, to demand in respect of the authentication of any Series 2021A Bonds, the withdrawal of any cash, or any action whatsoever within the purview of this Indenture of Trust, any showings, certificates, opinion, appraisals, or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Bond Trustee deemed desirable for the purpose of establishing the right of the Issuer to the authentication of any Series 2021A Bonds, the withdrawal of any cash, or the taking of any other action by the Bond Trustee.

(m) Before taking any action under this Section or Article VIII hereof, the Bond Trustee may require that indemnity reasonably satisfactory to it be furnished to it for the reimbursement of its reasonable fees, costs, liabilities and all expenses (including attorneys' fees) which it may incur and to protect it against all liability, except liability which may result from its negligence or willful misconduct, by reason of any action so taken.

(n) Except as provided in Section 9.01(a) above, it shall not be the duty of the Bond Trustee, except as expressly provided herein, to see that any duties or obligations imposed herein or in the Loan Agreement upon the Issuer, the Obligor, or other Persons are performed, and the Bond Trustee shall not be liable or responsible because of the failure of the Issuer, the Obligor, or other Persons to perform any act required of them pursuant to the terms of this Indenture of Trust.

(o) In acting or omitting to act pursuant to the provisions of the Loan Agreement or Disbursement Agreement, the Bond Trustee shall be entitled to and be protected by the rights and immunities accorded to it by the terms of this Indenture of Trust.

(p) In the event the Bond Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of holders of Series 2021A Bonds, each representing less than a majority in aggregate principal amount of the Series 2021A Bonds Outstanding, the Bond Trustee, in its sole discretion, may determine what action, if any, shall be taken.

(q) The Bond Trustee's immunities and protections from liability in connection with the performance of its duties under this Indenture of Trust shall extend to the Bond Trustee's officers, directors, agents and employees. Such immunities and protections, together with the Bond Trustee's right to compensation, shall survive the Bond Trustee's resignation or removal and final payment of the Series 2021A Bonds.

(r) The Bond Trustee shall not be responsible or liable for any failure or delay in the performance of its obligation under this Indenture of Trust arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; wars; terrorism; similar military disturbances; sabotage; epidemic; riots; interruptions; loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Bond Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

(s) Notwithstanding the effective date of this Indenture of Trust or anything to the contrary in this Indenture of Trust, the Bond Trustee shall have no liability or responsibility for any act or event relating to this Indenture of Trust which occurs prior to the date the Bond Trustee formally executes this Indenture of Trust and commences acting as Bond Trustee hereunder.

(t) The permissive right of the Bond Trustee to do things enumerated in this Indenture of Trust shall not be construed as a duty.

(u) The Bond Trustee shall have the right to accept and act upon directions or instructions given pursuant to this Indenture of Trust, the Loan Agreement or any other document reasonably relating to the Series 2021A Bonds and delivered using Electronic Means (defined below); provided, however, that the Issuer or the Obligor, as the case may be, shall provide to the Trustee an incumbency certificate listing Authorized Representatives (defined below) and containing specimen signatures of such Authorized Representatives, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Issuer or the Obligor elects to give the Trustee directions or instructions using Electronic Means and the Trustee in its discretion elects to act upon such directions or instructions, the Trustee's understanding of such directions or instructions shall be deemed controlling. The Issuer and the Obligor understand and agree that the Trustee cannot determine the identity of the actual sender of such directions or instructions and that the Trustee shall conclusively presume that directions or instructions that purport to have been sent by an Authorized Representative listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Representative. The Issuer and the Obligor, as the case may be, shall each be responsible for ensuring that only authorized officers transmit such directions or instructions to the Trustee and that all Authorized Representatives treat applicable user and authorization codes, passwords and/or authentication keys as confidential and with extreme care. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such directions or instructions notwithstanding such directions or instructions conflict or are inconsistent with a subsequent written direction or written instruction. The Issuer and each Obligor agree: (i) to assume all risks arising out of the use of Electronic Means to submit directions or instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized directions or instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting directions or instructions to the Trustee and that there may be more secure methods of transmitting directions or instructions; (iii) that the security procedures (if any) to be followed in connection with its transmission of directions or instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures. "Authorized Representative" shall mean, when used pertaining to the Obligor, the Chief Executive Officer of the Obligor and such other designated members, agents, or representatives as may hereafter be selected by Obligor resolution; and, when used with reference to the Issuer, means the person performing the functions of the Chairman or Vice Chairman, of such Issue thereof or other officer authorized to exercise the powers and performs the duties of the Chairman; and, when used with reference to an act or document, also means any other person authorized by resolution or ordinance to perform such act or sign such document. "Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys, or

Aggregate Principal Amount of the Series 2021A Bonds at the time Outstanding given and procured as provided in Section 10.02 hereof. If at any time the Issuer and the Obligor shall request the consent of the Bond Trustee to any such proposed amendment, change, or modification of the Loan Agreement, the Bond Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change, or modification to be given in the same manner as provided in Section 10.02 hereof. Such notice shall briefly set forth the nature of such proposed amendment, change, or modification and shall state that copies of the instrument embodying the same are on file at the designated office of the Bond Trustee for inspection by all Bondholders.

In executing any amendment, change or modification of the Loan Agreement, the Bond Trustee shall be entitled to receive, and shall be fully protected in relying upon, an Opinion of Counsel stating that the execution and delivery of such amendment, change, modification of the Loan Agreement is authorized or permitted by this Indenture of Trust and the Loan Agreement and has been effected in compliance with the provisions of this Indenture of Trust and the Loan Agreement. The Bond Trustee may, but shall not be obligated to, enter into any such amendment, change, or modification which affects the Bond Trustee's own rights, duties or immunities. In connection with any amendment, change or modification in connection with Section 10.05(e), the Bond Trustee may in its discretion determine whether or not in accordance with such provision the Bond Trustee or the Bondholders would be prejudiced by such amendment, change, modification. Any such determination shall be binding and conclusive on the Issuer, the Obligor, and the Bondholders. The Bond Trustee may receive an Opinion of Counsel as conclusive evidence as to whether the Bondholders would be so affected by any such amendment, change, or modification of the Loan Agreement.

ARTICLE XI MISCELLANEOUS

SECTION 11.01 EVIDENCE OF SIGNATURE OF BONDHOLDERS AND OWNERSHIP OF BONDS. Any request, consent, or other instrument which this Indenture of Trust may require or permit to be signed and executed by the Bondholders may be in one or more instruments of similar tenor, and shall be signed or executed by such Bondholders in person or by their attorneys appointed in writing. Proof of the execution of any such instrument or of an instrument appointing any such attorney, or of the ownership of Series 2021A Bonds shall be sufficient (except as otherwise herein expressly provided) if made in the following manner, but the Bond Trustee may, nevertheless, in its discretion, require further or other proof in cases where it deems the same desirable:

(a) The fact and date of the execution by any Bondholder or his attorney of such instrument may be proved by the certificate of any officer authorized to take acknowledgments in the jurisdiction in which he purports to act that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before a notary public.

(b) The ownership of any fully registered Series 2021A Bond and the amount and numbers of such Series 2021A Bonds and the date of holding the same shall be proved by the registration books of the Issuer kept by the Bond Trustee.

Any request or consent of the owner of any Series 2021A Bond shall bind all future owners of such Series 2021A Bond in respect of anything done or suffered to be done by the Issuer or the Bond Trustee in accordance therewith.

SECTION 11.02 NO PERSONAL LIABILITY. No recourse under or upon any obligation, covenant or agreement contained in this Indenture of Trust, or in any Series 2021A Bond hereby secured, or under any judgment obtained against the Issuer, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, under or independent of this Indenture of Trust, shall be had against any elected official, officer, director, agent or employee, as such, past, present or future, of any of the Issuer, the Bond Trustee, or St. Johns County, Florida, either directly or through the Issuer, or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to the holder of any Series 2021A Bond issued hereunder or otherwise of any sum that may be due and unpaid by the Issuer upon any such Series 2021A Bond. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such person to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Issuer or any receiver thereof or for or to the holder of any Series 2021A Bond issued hereunder or otherwise, of any sum that may remain due and unpaid upon the Series 2021A Bonds hereby secured or any of them, is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture of Trust and the issue of such Series 2021A Bonds.

SECTION 11.03 LIMITED OBLIGATION. None of the Issuer, St. Johns County, Florida, the State of Florida or any political subdivision thereof, except the Issuer to the extent set forth herein, shall in any event be liable for the payment of the principal of, premium, if any, or interest on any of the Series 2021A Bonds issued hereunder. The Series 2021A Bonds are limited obligations of the Issuer payable solely from the revenues, receipts and resources of the Issuer pledged to their payment and not from any other revenues, funds or assets of the Issuer. None of the Series 2021A Bonds of the Issuer issued hereunder shall be construed or constitute an indebtedness of the Issuer or an indebtedness or obligation (special, moral or general) of the Issuer, St. Johns County, Florida, the State of Florida or any political subdivision thereof, except the Issuer to the extent set forth herein, within the meaning of any constitutional or statutory provision whatsoever.

SECTION 11.04 PARTIES INTERESTED HEREIN. With the exception of rights herein expressly conferred on the Obligor, nothing in this Indenture of Trust expressed or implied is intended or shall be construed to confer upon, or to give to, any person other than the Issuer, the Bond Trustee, the Paying Agents, and the owners of the Series 2021A Bonds, any right, remedy, or claim under or by reason of this Indenture of Trust, and any covenants, stipulations, promises, and agreements in this Indenture of Trust contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Bond Trustee and the owners of the Series 2021A Bonds.

SECTION 11.05 TITLES, HEADINGS, ETC. The titles and headings of the articles, sections, and subdivisions of this Indenture of Trust have been inserted for convenience of reference only and shall in no way modify or restrict any of the terms or provisions hereof.

SECTION 11.06 SEVERABILITY. In the event any provision of this Indenture of Trust shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 11.07 GOVERNING LAW. This Bond Indenture shall be governed and construed in accordance with the laws of the State of Florida.

SECTION 11.08 EXECUTION OF COUNTERPARTS. This Bond Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 11.09 CONSEQUENTIAL/PUNITIVE DAMAGES. Anything in this Indenture of Trust to the contrary notwithstanding, in no event shall the Bond Trustee be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Bond Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

SECTION 11.10 WAIVER OF JURY TRIAL. Each party hereto hereby agrees not to elect a trial by jury of any issue triable of right by jury, and waives any right to trial by jury fully to the extent that any such right shall now or hereafter exist with regard to this Indenture of Trust, or any claim, counterclaim or other action arising in connection herewith. This waiver of right to trial by jury is given knowingly and voluntarily by each party, and is intended to encompass individually each instance and each issue as to which the right to a trial by jury would otherwise accrue.

SECTION 11.11 NO LIABILITY OF BOND TRUSTEE'S OFFICERS. No recourse under or upon any obligation, covenant, or agreement contained in this Indenture of Trust, or in the Series 2021A Bonds, or for any claim based thereon, or under any judgment obtained against the Bond Trustee, or by the enforcement of any assessment or penalty or otherwise or by any legal or equitable proceeding by virtue of any constitution, rule of law or equity, or statute or otherwise or under any other circumstances, under or independent of this Indenture of Trust, shall be had against any incorporator, member, or officer, as such, past, present, or future of the Bond Trustee, or any incorporator, member, or officer of any successor corporation, as such, either directly or through the Bond Trustee, or any successor corporation, or otherwise, for the payment for or to the Bond Trustee as trustee hereunder or otherwise, of any sum that may be due and unpaid by the Issuer upon the Series 2021A Bonds. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such incorporator, member, or officer, as such, to respond by reason of any act or omission on his part, on the part of the Bond Trustee, or otherwise, for or to the Bond Trustee as trustee hereunder or otherwise, of any sum that may remain due and unpaid hereunder, is hereby expressly waived and released as a condition of and in consideration for the execution of this Indenture of Trust.

SECTION 11.12 NOTICES. Any notice, request or other communication under this Loan Agreement shall be given in writing and shall be deemed to have been given by either party to the other party at the addresses shown below upon any of the following dates:

(a) The date of notice by facsimile, Electronic Means (as defined in Section 9.01(u) hereof) or similar communications, which is confirmed promptly in writing;

(b) Three Business Days after the date of the mailing thereof, as shown by the post office receipt if mailed to the other party hereto by registered or certified mail;

(c) The date of the receipt thereof by such other party if not given pursuant to (a) or (b) above.

The address for notice for each of the parties shall be as follows:

To the Issuer: St. Johns County Industrial Development Authority
500 San Sebastian View
St. Augustine, Florida 32084
Attn: Jennifer Zuberer
Telephone: (904) 209-0560
Email: jzuberer@sjcfl.us

To the Obligor: Life Care Ponte Vedra, Inc.
1000 Vicar's Landing Way
Ponte Vedra Beach, Florida 32082
Attn: Chief Executive Officer
Telephone: (904) 273-1700
Email: bjones@vicarslanding.com

To the Bond Trustee: U.S. Bank National Association
225 Water Street, Suite 700
Jacksonville, Florida 32202
Attention: Global Trust Department
Telephone: (904) 358-5363
Email: Sheryl.lear@usbank.com

Notwithstanding the foregoing, notices to the Bond Trustee shall be effective only upon receipt.

SECTION 11.13 PAYMENTS DUE ON HOLIDAYS. If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in this Indenture of Trust, shall be a legal holiday or a day on which banking institutions in Jacksonville, Florida, are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed with the same force and effect as if done on the nominal date provided in this Indenture of Trust.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY has caused this Indenture of Trust to be executed on its behalf by its Chairman, and U.S. BANK NATIONAL ASSOCIATION has caused this Indenture of Trust to be executed on its behalf by its duly authorized officer to evidence its acceptance of the trusts hereby created, all as of the date first above written.

**ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

By: _____
_____, Chairman

(OFFICIAL SEAL)

ATTEST:

Secretary

**U.S. BANK NATIONAL ASSOCIATION, as
Bond Trustee**

By: _____
Sheryl Lear, Vice President

26287.007/1760082.1

EXHIBIT "B"

Form of Loan Agreement

LOAN AGREEMENT

between

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

and

LIFE CARE PONTE VEDRA, INC.

Dated as of _____, 2021

Relating to

**ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
SENIOR LIVING REVENUE BONDS
(VICAR'S LANDING PROJECT),
SERIES 2021A**

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LOAN AGREEMENT

THIS LOAN AGREEMENT is dated as of _____ 1, 2021 (the "Loan Agreement"), between the ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a public body politic and corporate duly organized and existing under the laws of the State of Florida (the "Issuer"), and LIFE CARE PONTE VEDRA, INC., a not-for-profit corporation duly organized and validly existing under the laws of the State of Florida (the "Obligor").

WITNESSETH:

WHEREAS, pursuant to the provisions of the Act, the Issuer has determined to issue, sell and deliver its Series 2021A Bonds and to loan the proceeds derived from the sale thereof to the Obligor for the purpose of (i) currently refunding the Refunded Bonds (as defined herein), (ii) financing or refinancing, including through reimbursement, all or a portion of the cost of the Project, (iii) funding a debt service reserve fund and (iv) paying all or a portion of the costs of issuance of the Series 2021A Bonds; and

WHEREAS, the Obligor and the Issuer each have full right and lawful authority to enter into this Loan Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto formally covenant, agree and bind themselves as follows:

ARTICLE I DEFINITIONS

SECTION 1.1 DEFINITIONS. Except as otherwise provided herein, the terms used in this Loan Agreement shall have the meanings given such terms in the Master Indenture (as defined below). In addition to such terms defined in the Master Indenture, the following terms, except where the context indicates otherwise, shall have the respective meanings set forth below.

"Account" means any account established within a Fund.

"Act" means Part III, Chapter 159, Florida Statutes, and other applicable provisions of law.

"Administration Expenses" means the reasonable and necessary fees and expenses incurred by the Issuer pursuant to this Loan Agreement and the Bond Indenture.

"Aggregate Principal Amount" means the outstanding principal amount including, in the case of a security sold at a discount to the purchaser thereof the accreted value of such discount calculated in accordance with the documents authorizing such security, or if not so defined, generally accepted accounting principles.

"Authorized Denominations" means the denomination of \$5,000 or any integral multiple of \$5,000 in excess thereof.

"Bond Counsel" means Bryant Miller Olive P.A., or any other attorney at law or firm of attorneys of nationally recognized experience in matters pertaining to the validity of, and exclusion from gross income for federal income tax purposes of interest on, the obligations of

states and their political subdivisions as may be selected by the Obligor but is reasonably acceptable to the Issuer and is not objected to by the Bond Trustee.

“Bond Fund” means the Bond Fund created in Section 3.02 of the Bond Indenture.

“Bondholder” or **“Owner”** of the Series 2021A Bonds mean the registered owner of any fully registered Series 2021A Bond.

“Bond Indenture” means the Indenture of Trust of even date herewith relating to the Series 2021A Bonds between the Issuer and the Bond Trustee, including any indentures supplemental thereto made in conformity therewith.

“Bond Trustee” means U.S. Bank National Association, being the registrar, a paying agent and the trustee under the Bond Indenture, or any successor corporate trustee.

“Business Day” means any day other than (i) a Saturday, a Sunday or, in the City of New York, New York, or in Jacksonville, Florida (or, if different, in the city in which the designated corporate trust office of the Bond Trustee is located), a day on which banking institutions are authorized or required by law or executive order to close, or (ii) a day on which the New York Stock Exchange is closed.

“Claims” shall mean all claims, lawsuits, causes of action and other legal actions and proceedings of whatever nature brought against (whether by way of direct action, counter claim, cross action or impleader) any Indemnified Party, even if groundless, false, or fraudulent, so long as the claim, lawsuit, cause of action or other legal action or proceeding is alleged or determined, directly or indirectly, to arise out of, to result from, to relate to or to be based upon, in whole or in part: (a) the issuance of the Series 2021A Bonds, (b) the duties, activities, acts or omissions (even if negligent) of any Person in connection with the issuance of the Series 2021A Bonds, or the obligations of the various parties arising under the Bond Indenture, this Loan Agreement or the Master Indenture, or (c) the duties, activities, acts or omissions (even if negligent) of any Person in connection with the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Project or any part thereof.

“Completion Certificate” means a certificate of the Obligor delivered pursuant to Section 4.2(b) hereof.

“Completion Date” means the date specified in the Completion Certificate as the date of completion or termination.

“Construction Monitor” means _____, its successor and assigns.

“Continuing Disclosure Certificate” means the Continuing Disclosure Certificate of the Obligor, dated the Delivery Date of the Series 2021A Bonds.

“Cost” or **“Costs”** as applied to a Project means and includes any and all costs permitted by the Code and the Act.

“Cost of Issuance” means treated as issuance costs within the meaning of Section 1.150-1(b) of the Code associated with the issuance of the Series 2021A Bonds including, but not limited to, (i) underwriter’s spread (whether realized directly or derived through purchase of the Series 2021A Bonds at a discount below the price at which they are expected to be sold to the public); (ii) counsel fees (including Bond Counsel, underwriter’s counsel, Issuer’s counsel, Bond Trustee’s counsel and Obligor’s counsel fees that relate to the issuance of the Series 2021A Bonds, as well

as any other specialized counsel fees incurred in connection with the issuance of the Series 2021A Bonds); (iii) financial advisory fees incurred in connection with the issuance of the Series 2021A Bonds; (iv) rating agency fees; (v) Bond Trustee fees incurred in connection with the issuance of the Series 2021A Bonds; (vi) Paying Agent and certifying registrar and authenticating agent fees related to issuance of the Series 2021A Bonds; (vii) accountant fees related to the issuance of the Series 2021A Bonds; (viii) printing costs of the Series 2021A Bonds and of the preliminary and final offering materials; (ix) publication costs associated with the financing proceedings; (x) any fees paid to the Issuer; and (xi) costs of engineering and feasibility studies necessary to the issuance of the Series 2021A Bonds; provided, that bond insurance premiums and certain credit enhancement fees, to the extent treated as interest expense under the Code, shall not be treated as "Costs of Issuance" in connection with the issuance of Series 2021A Bonds.

"Cost of Issuance Fund" means the cost of issuance fund created under Section 3.17 of the Bond Indenture.

"Delivery Date" means the date the Series 2021A Bonds are delivered to the initial purchasers against payment therefor.

"Disbursement Agreement" means the Construction Disbursement and Monitoring Agreement dated as of _____, 2021 among the Obligor, the Construction Monitor, the Bond Trustee, BBVA Mortgage Corporation and BBVA USA.]

"Event of Default" means those defaults specified in Section 8.01 of the Bond Indenture.

"Facilities" means the continuing care retirement facilities known as "Vicar's Landing" which are located at _____ in St. Johns County, Florida and all land, buildings, structures, improvements, equipment, fixtures, machinery, furniture, furnishings and other real and personal property located thereon and all land, buildings, structures, improvements, equipment, fixtures, machinery, furniture, furnishings and other real and personal property now or hereafter attached to, or located in, or used in connection with, any such land, buildings, structures or improvements and all additions thereto, substitutions therefor and replacements thereof, whether now owned or hereafter acquired by the Obligor and shall include the Oak Bridge expansion thereof located at _____, to which the Project relates.]

"Funded Interest Account" means the account of such name in the Construction Fund created in Section 3.06 of the Bond Indenture.

"Funds" means the Cost of Issuance Fund, Bond Fund, the Reserve Fund, Rebate Fund and the Construction Fund.

"Government Obligations" means direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America, including (in the case of direct obligations of the United States of America) evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances wherein (a) a bank or trust company acts as custodian and holds the underlying Government Obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the Obligor of the underlying Government Obligations; and (c) the underlying Government Obligations are held in a special account, segregated from the custodian's general assets, and are not available to

satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated.

"Indemnified Party" shall mean the Issuer, the Bond Trustee and the Master Trustee and any of their respective officers, directors, members, officials, attorneys, consultants, agents, servants and employees, and any successor to any of such Persons.

"Indemnified Persons" means the Indemnified Parties.

"Interest Account" means the account of such name in the Bond Fund created in Section 3.02 of the Bond Indenture.

"Interest Payment Date" means each June 15 and December 15, commencing December 15, 2021, or, if such day is not a Business Day, the immediately succeeding business day in the years during which the Series 2021A Bonds are Outstanding under the provisions of the Bond Indenture.

"Issuer" means the St. Johns County Industrial Development Authority, or any public corporation succeeding to its rights and obligations under this Loan Agreement.

"Issuer Representative" means the Chairman of the Issuer or such other person at the time, and from time to time, designated by written certificate of the Issuer furnished to the Obligor and the Bond Trustee containing the specimen signature of such person and signed on behalf of the Issuer by its Chairman. Such certificate shall designate an alternate or alternates, any of whom may act at any time as Issuer Representative.

"Loan Agreement" means this Loan Agreement and any amendments and supplements hereto made in conformity herewith and with the Bond Indenture.

"Losses" means losses, costs, damages, expenses, judgments, and liabilities of whatever nature (including, but not limited to, reasonable attorney's, accountant's and other professional's fees, litigation and court costs and expenses, amounts paid in settlement and amounts paid to discharge judgments and amounts payable by Indemnified Persons to any other Person under any arrangement providing for indemnification of that Person) directly or indirectly resulting from arising out of or relating to one or more Claims.

"Master Indenture" means the Master Trust Indenture dated as of _____ 1, 2021, between the Obligor and the Master Trustee, as supplemented by the Supplemental Indenture and any supplements or amendments thereto and modifications thereof.

"Maximum Annual Debt Service Requirement" means an amount equal to the maximum principal and interest requirements (taking into account all mandatory sinking fund payments) due in any calendar year on the Series 2021A Bonds calculated in accordance with the provisions of the Master Indenture; provided, however, that principal of the Series 2021A Bonds in its final year shall be excluded from the determination of Maximum Annual Debt Service Requirement to the extent moneys are on deposit as of the date of calculation in the Reserve Fund.

"Maximum Rate" means the lesser of (a) 15% per annum or (b) the maximum interest rate permitted by applicable Florida law.

["Minimum Liquid Reserve Account" means the account maintained pursuant to the Escrow Agreement, dated as of _____, _____ between the Obligor and U.S. Bank National Association or predecessor entity, as escrow agent, as acknowledged by the Florida Office of

Insurance Regulation, in order to satisfy the minimum liquid reserve requirements of Section 651.035, Florida Statutes. In accordance with said Section 651.035, Florida Statutes, amounts on deposit in the Reserve Fund shall be credited against the amounts required to be on deposit in the Minimum Liquid Reserve Account.]

"Mortgage" means, collectively, [insert reference to fee and leasehold mortgages], as amended and supplemented from time to time.

"Obligated Group Representative" has the meaning assigned to such term in the Master Indenture.

"Obligor Documents" means this Loan Agreement, the Master Indenture, the Supplemental Indenture, the Series 2021A Note, the Continuing Disclosure Certificate, the Mortgage and the Tax Compliance Agreement.

"Opinion of Bond Counsel" shall mean an opinion in writing signed and delivered by Bond Counsel.

"Opinion of Counsel" means an opinion in writing signed by an attorney or firm of attorneys, who may be counsel to the Obligor or other counsel.

"Outstanding" means, as of any particular time, all Series 2021A Bonds which have been duly authenticated and delivered by the Bond Trustee under the Bond Indenture, except:

(a) Series 2021A Bonds theretofore cancelled by the Bond Trustee or delivered to the Bond Trustee for cancellation after purchase in the open market or because of payment at or redemption prior to maturity;

(b) Series 2021A Bonds for the payment or redemption of which cash funds (or Government Obligations to the extent permitted in Section 7.01 of the Bond Indenture) shall have been theretofore deposited with the Bond Trustee (whether upon or prior to the maturity or redemption date of any such Series 2021A Bonds); provided that if such Series 2021A Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given or arrangements satisfactory to the Bond Trustee shall have been made therefor, or waiver of such notice satisfactory in form to the Bond Trustee, shall have been filed with the Bond Trustee and provided further that prior to such payment or redemption, the Series 2021A Bonds to be paid or redeemed shall be deemed to be Outstanding for the purpose of transfers and exchanges under Section 2.05 of the Bond Indenture; and

(c) Series 2021A Bonds in lieu of which other Series 2021A Bonds have been authenticated under Section 2.06 of the Bond Indenture.

"Paying Agent" means any bank or trust company, including the Bond Trustee, designated pursuant to the Bond Indenture to serve as a paying agency or place of payment for the Series 2021A Bonds, and any successor designated pursuant to the Bond Indenture.

"Payment Office" with respect to the Bond Trustee or other Paying Agent means the office maintained by the Bond Trustee or any affiliate of the Bond Trustee or of another Paying Agent for the payment of interest and principal on the Series 2021A Bonds.

"Permitted Investments" has the meaning assigned to such term in the Master Indenture.

"Premium Security" means any Permitted Investment purchased or to be purchased at a premium from funds in the Construction Fund.

“Principal Account” means the account of such name in the Bond Fund created in Section 3.02 of the Bond Indenture.

“Project” means the project described in EXHIBIT A attached hereto.

“Project Account” means the account of such name in the Construction Fund created under Section 3.06 of the Bond Indenture.

“Qualified Project Costs” means Costs of the Project which constitute costs for property which is to be owned by the Obligor or another member of the Obligated Group and will not be used in an “unrelated trade or business” (as such term is used in Section 513(a) of the Code) of the Obligor (or any other organization described in Section 501(c)(3) of the Code) or in the trade or business of a person who is neither a governmental unit nor an organization described in Section 501(c)(3) of the Code. Costs of Issuance are not Qualified Project Costs and any fees paid to banks for letters of credit, for municipal bond insurance premiums or other guaranty fees and any capitalized interest on the Series 2021A Bonds shall be allocated between Qualified Project Costs to be paid or reimbursed from proceeds of the Series 2021A Bonds and Costs other than Qualified Project Costs to be paid or reimbursed from the proceeds of the Series 2021A Bonds. Qualified Project Costs shall not include costs or expenses paid more than sixty (60) days prior to the adoption by the Issuer, the Obligor or another member of the Obligated Group of a reimbursement resolution unless those expenditures qualify as “preliminary expenditures” within the meaning of the Code.

“Rebate Fund” means that special fund established in the name of the Issuer with the Bond Trustee pursuant to Section 3.16 of the Bond Indenture.

“Refunded Bonds” means, collectively, the Series 2014 Bonds and the Series 2016 Bonds.

“Registered Owner” or **“Owners”** means the person or persons in whose name or names a Series 2021A Bond shall be registered on books of the Issuer kept by the Bond Trustee for that purpose in accordance with the terms of the Bond Indenture.

“Regular Record Date” means the last day of the month preceding each regularly scheduled interest payment date therefor.

“Reserve Fund” means the Debt Service Reserve Fund created in Section 3.08 of the Bond Indenture.

“Reserve Fund Obligations” means cash and Permitted Investments.

“Reserve Fund Requirement” means [an amount equal to the maximum annual debt service on the Series 2021A Bonds.]

“Responsible Officer” when used with respect to the Bond Trustee means an officer of the Bond Trustee having direct responsibility for administration of the Bond Indenture.

“Securities Depository” means The Depository Trust Company and any successor thereto as permitted by the Bond Indenture.

“Series 2014 Bonds” means the outstanding St. Johns County Industrial Development Authority Health Care Revenue Bonds (Vicar’s Landing Project), Series 2014 A&B.

“Series 2016 Bonds” means the outstanding St. Johns County Industrial Development Authority Health Care Revenue and Revenue Refunding Bonds (Vicar’s Landing Project), Series 2016.

“Series 2021A Bonds” means the St. Johns County Industrial Development Senior Living Revenue Bonds (Vicar’s Landing Project), Series 2021A.

“Series 2021A Note” means the Obligation issued by the Obligor pursuant to the Supplemental Indenture relating to the Series 2021A Bonds.

“Special Record Date” means a special date fixed to determine the names and addresses of owners of Series 2021A Bonds for purposes of paying interest on a special interest payment date for the payment of defaulted interest, all as further provided in Section 2.03 of the Bond Indenture.

“Supplemental Indenture” means the Master Trust Indenture Supplement Number 1, dated as of _____, 2021, by the Obligor executed and delivered to the Master Trustee, supplementing the Master Trust Indenture and providing for the issuance of the Series 2021A Note.

“Surplus Construction Fund Moneys” means all moneys (including moneys earned pursuant to the provisions of Article VI of the Bond Indenture) remaining in the Construction Fund after completion or termination of the Project (as evidenced by a Completion Certificate) and payment of all other costs then due and payable from the Construction Fund.

“Tax Compliance Agreement” means the Tax Regulatory Agreement dated _____, 2021, each among the Issuer, the Obligor [and the Bond Trustee] related to the Series 2021A Bonds.]

“Trust Estate” means the property pledged and assigned to the Bond Trustee pursuant to the granting clauses of the Bond Indenture.

ARTICLE II REPRESENTATIONS

SECTION 2.1 REPRESENTATIONS BY THE ISSUER. The Issuer represents that:

(a) The Issuer is a public body politic and corporate duly organized and validly existing under and pursuant to the laws of the State of Florida and has full power and authority under the laws of the State of Florida (including, in particular, the Act) to enter into the transactions contemplated by this Loan Agreement and to carry out its obligations hereunder. By proper action the Issuer has duly authorized the execution and delivery of this Loan Agreement and the Bond Indenture and the performance of its obligations under this Loan Agreement and the Bond Indenture.

(b) To the best of the Issuer’s knowledge, neither the execution and delivery of the Series 2021A Bonds, the Bond Indenture or this Loan Agreement, the consummation of the transactions contemplated thereby and hereby nor the fulfillment of or compliance with the terms and conditions or provisions of the Series 2021A Bonds, the Bond Indenture or this Loan Agreement conflict with or result in the breach of any of the terms, conditions or provisions of any constitutional provision or statute of the State of Florida or of any agreement or instrument or judgment, order or decree of which the Issuer has notice that it is a party or constitutes a default under any of the foregoing or result in the creation or imposition of any prohibited lien, charge or

encumbrance of any nature upon any property or assets of the Issuer under the terms of any instrument or agreement.

(c) The Issuer has the power and authority to issue the Series 2021A Bonds for the purpose of financing all or a portion of the Cost of the Project, funding a debt service reserve fund and paying a portion of the Cost of Issuance. The Series 2021A Bonds shall be in the principal amount, mature, bear interest, be subject to redemption prior to maturity, be secured, and have such other terms and conditions as are set forth in the Bond Indenture.

(d) The Series 2021A Bonds are to be issued under and secured by the Bond Indenture pursuant to which the Issuer's interest in this Loan Agreement and in the Series 2021A Note, and the revenues and receipts derived by the Issuer from the Series 2021A Note, will be pledged and assigned to the Bond Trustee as security for payment of the principal of, premium, if any, and interest on the Series 2021A Bonds.

(e) The Obligor has represented to the Issuer that that the Project constitutes a "project" within the meaning of the Act.

(f) The issuance of the Series 2021A Bonds and the execution of this Loan Agreement and the Bond Indenture have been approved by the Issuer at a duly constituted meeting.

(g) Except as otherwise permitted by this Loan Agreement, the Issuer covenants that it has not and will not pledge the income and revenues derived from this Loan Agreement other than to secure the Series 2021A Bonds.

(h) After reasonable public notice given by publication in [____], a newspaper published and of general circulation in the St. Johns County, Florida, on _____, 2021 the Issuer held a public hearing on _____, 2021 concerning the issuance of the Series 2021A Bonds, the financing of the Project and the location of the Project. After such hearing, the Board of County Commissioners of St. Johns County authorized the issuance of the Series 2021A Bonds by duly adopting a resolution on _____, 2021.

SECTION 2.2 REPRESENTATIONS BY THE OBLIGOR. The Obligor represents that:

(a) The Obligor is a nonprofit corporation duly incorporated and in good standing under the laws of the State of Florida, has power to enter into the Obligor Documents and by proper corporate action has duly authorized the execution and delivery of the Obligor Documents.

(b) Neither the execution and delivery of any of the Obligor Documents, the consummation of the transactions contemplated hereby and thereby, nor the fulfillment of or compliance with the terms and conditions of the Obligor Documents, conflict with or result in a breach of any of the terms, conditions or provisions of any corporate restriction or any agreement or instrument to which the Obligor is now a party or by which it is bound or constitute a default under any of the foregoing.

(c) No event of default or any event which, with the giving of notice or the lapse of time, or both, would constitute an event of default under the Master Indenture, has occurred.

(d) To the best of the Obligor's knowledge, information and belief, all of the documents, instruments and written information supplied by or on behalf of the Obligor, which have been reasonably relied upon by Bond Counsel in rendering their opinion with respect to the exclusion from gross income of the interest on the Series 2021A Bonds for federal income tax

purposes or counsel to the Obligor in rendering its opinion with respect to the status of the Obligor under Section 501(c)(3) of the Code, are true and correct in all material respects, do not contain any untrue statement of a material fact and do not omit to state any material fact necessary to be stated therein to make the information provided therein, in light of the circumstances under which such information was provided, not misleading.

(e) The Project consists entirely of property that is owned, or to be owned, and operated by the Obligor. The Project will not be used in an "unrelated trade or business" (as such term is used in Section 513(a) of the Code) of the Obligor (or any other organization that is exempt from federal income tax under Section 501(c)(3) of the Code that may rent or use any portion of the Project) or for any private business use (other than by an organization that is exempt from federal income tax under Section 501(c)(3) of the Code) within the meaning and contemplation of Section 141(b) of the Code.

(f) The Tax Compliance Agreement executed and delivered by the Obligor concurrently with the issuance and delivery of the Series 2021A Bonds is true, accurate and complete in all material respects as of the date on which executed and delivered.

(g) The Obligor agrees that it and any other Obligated Group Member (i) shall not perform any act or enter into any agreement which would adversely affect its members' federal income tax status and shall conduct its operations in the manner which conforms to the standards necessary to qualify the members as a charitable organization within the meaning of Section 501(c)(3) of the Code or any successor provisions of federal income tax law, (ii) shall not perform any act, enter into any agreement or use or permit the Facilities, or any portion thereof, to be used in any manner, or for any trade or business or other non-exempt use related to the purposes of the Obligor, which would adversely affect the exclusion of interest on the Series 2021A Bonds, from federal gross income pursuant to Section 103 of the Code, (iii) shall not do or fail to do any act or undertaking which may give rise to unrelated trade or business income with respect to its operations at the Facilities, and (iv) shall not directly or indirectly use or permit the use (including the making of any investment) of any proceeds of the Series 2021A Bonds or any other funds of the Issuer or the Obligated Group, or take or omit to take any action, that would cause the Series 2021A Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code.

(h) The Obligor agrees that neither it nor any related party to the Obligor (as defined in Section 1.150-1(b) of the Code) will purchase any of the Series 2021A Bonds in an amount related to the obligation represented by this Loan Agreement, as described in Section 1.148-1(b) of the Code.

(i) Any information that has been or will be supplied by the Obligor that has been or will be relied upon by the Issuer, the Bond Trustee and Bond Counsel with respect to the exclusion from gross income for federal income tax purposes of interest on the Series 2021A Bonds is true and correct.

(j) The Obligor is duly authorized to operate the Facilities under the laws, rulings, regulations and ordinances of the State of Florida and the departments, agencies and political subdivisions thereof.

(k) The Project constitutes a "project" within the meaning of the Act. All proceeds of the Series 2021A Bonds will be used to finance a "cost" within the meaning of the Act.

(l) Based on current facts, estimates and circumstances, it is currently expected that the Project will not be sold or disposed of in a manner producing sale proceeds which, together with accumulated proceeds of the Series 2021A Bonds or earnings thereon, would be sufficient to enable the Obligor to retire substantially all of the Series 2021A Bonds prior to the maturity of the Series 2021A Bonds.

(m) The Obligor will construct the Project and operate its Facilities in accordance with all applicable zoning, planning, building and environmental laws, ordinances, rules and regulations of governmental authorities rating or inspection organizations, bureaus, associations, or offices having jurisdiction over the Facilities or the Project, as the case may be. The Obligor has obtained or will cause to be obtained all requisite approvals of the State of Florida and of other federal, state, regional and local governmental bodies for the Facilities and the Project.

(n) Substantially all of the net proceeds of the Series 2021A Bonds, including earnings from the investment thereof, were used, or will be used, to pay Qualified Project Costs.

(o) The Obligor will not discriminate against the residents of its Facilities or the Project on the basis of race, religion, sex or national origin.

(p) The Obligor agrees to perform all obligations imposed upon it by the express terms of the Bond Indenture.

ARTICLE III TERM OF LOAN AGREEMENT

SECTION 3.1 TERM OF THIS LOAN AGREEMENT. Subject to Section 11.12 herein, this Loan Agreement shall remain in full force and effect from the date of delivery hereof until such time as all of the Series 2021A Bonds shall have been fully paid or provision made for such payment pursuant to the Bond Indenture and all reasonable and necessary fees and expenses (including attorney's fees) of the Bond Trustee and the Issuer accrued and to accrue through final payment of the Series 2021A Bonds and all liabilities of the Obligor with respect to the Series 2021A Bonds accrued and to accrue through final payment of the Series 2021A Bonds have been paid.

ARTICLE IV ISSUANCE OF THE BONDS; CONSTRUCTION OF PROJECTS; DISBURSEMENTS

SECTION 4.1 AGREEMENT TO ISSUE BONDS, APPLICATION OF BOND PROCEEDS. The Issuer will sell and cause to be delivered to the initial purchasers thereof the Series 2021A Bonds and will deliver the net proceeds thereof to the Bond Trustee for disposal as follows:

(i) Deposit into the Reserve Fund the amount specified in the request and authorization to the Bond Trustee described in Section 2.07(d) of the Bond Indenture.

(ii) Deposit into the Cost of Issuance Fund the amount specified in the request and authorization to the Bond Trustee described in Section 2.07(d) of the Bond Indenture.

(iii) Deposit into the Funded Interest Account of the Construction Fund the amount specified in the request and authorization to the Bond Trustee described in Section 2.07(d) of the Bond Indenture.

(iv) Pay to the owners of the Refunded Bonds, the redemption price thereof.

(v) Deposit to the Project Account the balance of the proceeds of the Series 2021A Bonds.

SECTION 4.2 PROJECT; COMPLETION CERTIFICATE.

(a) The Obligor shall cause the Project to be financed with proceeds of the Series 2021A Bonds and other available funds and to proceed with due diligence and pursuant to the requirements of the applicable laws of the State in all material respects.

(b) The Obligor shall deliver to the Bond Trustee within 90 days after the final completion or termination of the Project a certificate (the "Completion Certificate") of an Obligor to the effect that:

(i) the Project has been completed substantially in accordance with the plans and specifications, as then amended, and the date of completion;

(ii) the Cost of the Project has been fully paid for and no claim or claims exist against the Obligor or against the Project out of which a lien based on furnishing labor or material exists or might ripen; provided, however, there may be excepted from the foregoing statement any claim or claims out of which a lien exists or might ripen in the event that the Obligor intends to contest such claim or claims in accordance with this Loan Agreement, in which event such claim or claims shall be described; provided, further, that it shall be stated that moneys are on deposit in the applicable account of the Construction Fund sufficient to make payment of the full amount that might in any event be payable in order to satisfy such claim or claims; provided, further, that there may also be excepted from the foregoing statement any claim that has been insured over pursuant to an endorsement to any title insurance; and

(iii) all permits, certificates and licenses necessary for the occupancy and use of the Project have been obtained and are in full force and effect.

SECTION 4.3 COST OF CONSTRUCTION. The Obligor represents and warrants that it will use its best efforts to construct or cause the construction of the Project at a price which will permit completion of the Project within the amount of the funds to be deposited in the Construction Fund, together with other available funds of the Obligor.

SECTION 4.4 PLANS; MODIFICATIONS OF PROJECT. The Obligor hereby covenants and agrees that no changes or modifications, or substitutions, deletions, or additions shall be made with respect to the Project if such change disqualifies the Project under the Act.

SECTION 4.5 COMPLIANCE WITH REGULATORY REQUIREMENTS. The Obligor agrees that the Project shall be constructed strictly in accordance with all applicable ordinances and statutes, and in accordance with the requirements of all regulatory authorities in all material respects, and any rating or inspection organization, bureau, association, or office having jurisdiction, and it will furnish to the Issuer all information necessary for the Issuer to comply with all of the foregoing and all laws, regulations, orders and other governmental requirements.

The Obligor shall, at no expense to the Issuer, promptly comply in all material respects or cause compliance in all material respects with all laws, ordinances, orders, rules, regulations and requirements of duly constituted public authorities which may be applicable to the Obligor or to its Facilities and operations, including without limitation, Chapter 651, Florida Statutes. The

Obligor shall cause the Minimum Liquid Reserve Account to be maintained and funded in an amount which, together with the moneys on deposit in the Reserve Fund, shall satisfy all of the Obligor's escrow requirements under Section 651.035, Florida Statutes.

SECTION 4.6 REQUESTS FOR DISBURSEMENTS. (a) The Obligor shall be entitled to disbursements of moneys in the Project Account of the Construction Fund to pay the Costs related to the Project. Requests for disbursement by the Obligor are to be made to the Bond Trustee **[in accordance with the Disbursement Agreement]**.

(b) Notwithstanding the foregoing, the Obligor shall make no request for disbursement of moneys from the Construction Fund for payment of Cost of Issuance.

SECTION 4.7 COST OF ISSUANCE FUND. The Obligor shall be entitled to disbursement of moneys in the Cost of Issuance Fund to pay the Cost of Issuance. The Obligor shall request disbursements from the Cost of Issuance Fund on the form attached hereto as EXHIBIT B to pay Cost of Issuance, and to reimburse itself for Cost of Issuance paid by the Obligor, upon presentation to the Bond Trustee of a request for disbursement signed by the Obligor, but in no event more often than four times a month.

SECTION 4.8 MODIFICATION OF DISBURSEMENTS. The making of any disbursement or any part of a disbursement shall not be deemed an approval or acceptance by the Bond Trustee of the work theretofore done. Upon prior notice to the Obligor and in order to satisfy requirements specified in the Master Indenture, the Bond Trustee may deduct from any disbursement to be made under this Loan Agreement any amount necessary for the payment of fees and expenses required to be paid under this Loan Agreement and any insurance premiums, taxes, assessments, water rates, sewer rents and other charges, liens and encumbrances upon the facilities, whether before or after the making of this Loan Agreement, and any amounts necessary for the discharge of mechanic's liens, and apply such amounts in payment of such fees, expenses, premiums, taxes, assessments, charges, liens and encumbrances. All such sums so applied shall be deemed disbursements under this Loan Agreement.

SECTION 4.9 COVENANTS REGARDING TAX EXEMPTION. The Obligor hereby represents and covenants as follows:

(a) the Obligor will, at the expense of the Obligor, comply with, and make all filings required by, all effective rules, rulings or regulations promulgated by the Department of the Treasury or the Internal Revenue Service with respect to the obligations such as the Series 2021A Bonds, if any;

(b) the Obligor will continue to conduct its operations in a manner that will result in its continuing to qualify as an organization described in Section 501(c)(3) of the Code including but not limited to the timely filing of all returns, reports and requests for determination with the Internal Revenue Service and the timely notification of the Internal Revenue Service of all changes in its organization and purposes from the organization and purposes previously disclosed to the Internal Revenue Service;

(c) the Obligor will not divert any substantial part of its corpus or income for a purpose or purposes other than those for which it is organized and operated as described in Section 4.11 hereof;

(d) the Obligor will use no portion of the proceeds of the Series 2021A Bonds to provide any airplane, sky-box or other private luxury box, facility primarily used for gambling, or

store the principal business of which is the sale of alcoholic beverages for consumption off premises; and

(e) the Obligor agrees to provide to the Bond Trustee, at such time as required by the Bond Trustee, all information required by the Bond Trustee with respect to Nonpurpose Investments (as defined in Section 148 of the Code) not held in any fund under the Bond Indenture.

SECTION 4.10 ALLOCATION OF, AND LIMITATION ON, EXPENDITURES FOR THE PROJECT. The Obligor covenants to account for the expenditure of sale proceeds and investment earnings to be used for the Cost of the Project on its books and records by allocating proceeds to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed. The foregoing notwithstanding, the Obligor shall not expend sale proceeds or investment earnings thereon more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Series 2021A Bonds, or (2) the date the Series 2021A Bonds are retired, unless the Obligor obtains an Opinion of Bond Counsel that such expenditure will not adversely affect the tax-exempt status of the Series 2021A Bonds. For purposes hereof, the Obligor shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

SECTION 4.11 REPRESENTATIONS AND WARRANTIES AS TO TAX EXEMPT STATUS OF OBLIGOR. The Obligor hereby represents and warrants as follows:

(a) the Obligor is an organization exempt from federal income taxation under Section 501(a) of the Code by virtue of being described in Section 501(c)(3) of the Code;

(b) the purposes, character, activities and methods of operation of the Obligor have not changed materially since its organization and are not materially different from the purposes, character, activities and methods of operation at the time of its receipt of a determination by the Internal Revenue Service that it is an organization described in Section 501(c)(3) of the Code (the "Determination");

(c) the Obligor has not diverted a substantial part of its corpus or income for a purpose or purposes other than the purpose or purposes for which it is organized or disclosed to the Internal Revenue Service in connection with its Determination;

(d) the Obligor has not operated since its organization in a manner that would result in it being classified as an "action" organization within the meaning of Section 1.501(c)(3)-1(c)(3) of the Code including, but not limited to, promoting or attempting to influence legislation by propaganda or otherwise as a substantial part of its activities;

(e) with the exception of the payment of compensation (and the payment or reimbursement of expenses) which is not excessive and is for personal services which are reasonable and necessary to carrying out the purposes of the Obligor, no person controlled by any such individual or individuals nor any person having a personal or private interest in the activities of the Obligor has acquired or received, directly or indirectly, any income or assets, regardless of form, of the Obligor during the current Fiscal Year and the period, if any, preceding the current Fiscal Year, other than as reported to the Internal Revenue Service by the Obligor;

(f) the Obligor is not a "private foundation" within the meaning of Section 509(a) of the Code;

(g) the Obligor has not received any indication or notice whatsoever to the effect that its exemption under Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code has been revoked or modified, or that the Internal Revenue Service is considering revoking or modifying such exemption, and such exemption is still in full force and effect;

(h) the Obligor has filed with the Internal Revenue Service all requests for determination, reports and returns required to be filed by it and such requests for determination, reports and returns have not omitted or misstated any material fact and has notified the Internal Revenue Service of any changes in its organization and operation since the date of its Determination;

(i) the Obligor has not devoted more than an insubstantial part of its activities in furtherance of a purpose other than an exempt purpose within the meaning of Section 501(c)(3) of the Code; and

(j) the Obligor has not taken any action, nor does it know of any action that any other person has taken, nor does it know of the existence of any condition, which would cause the Obligor to lose its exemption from taxation under Section 501(a) of the Code or cause the interest on the Bonds to become taxable to the recipient thereof because such interest is not excludable from the gross income of such recipient for federal income tax purposes under Section 103(a) of the Code.

SECTION 4.12 DISPOSITION OF PROJECT. The Obligor covenants that the property constituting the Project or any portion thereof will not be sold or otherwise disposed in a transaction resulting in the receipt by the Obligor of cash or other compensation, unless the Obligor obtains an Opinion of Bond Counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds.

ARTICLE V

LOAN OF BOND PROCEEDS; NOTE; PROVISION FOR PAYMENT

SECTION 5.1 LOAN OF BOND PROCEEDS. The Issuer hereby agrees to loan to the Obligor the proceeds of the Series 2021A Bonds to provide financing and refinancing for the Costs of the Project. The Obligor hereby agrees to repay the loan pursuant to the conditions set forth in Section 5.2 hereof.

SECTION 5.2 REPAYMENT OF LOAN. The Obligor agrees to pay to the Bond Trustee for the account of the Issuer all payments when due on the Series 2021A Note pursuant to the payment provisions contained in such Series 2021A Note. If for any reason the amounts paid to the Bond Trustee by the Obligor on the Series 2021A Note, together with any other amounts available in the Bond Fund, are not sufficient to pay principal of, premium, if any, and interest on the Series 2021A Bonds when due, the Obligor agrees to pay the amount required to make up such deficiency.

SECTION 5.3 CREDITS. Any amount in an account of the Bond Fund at the close of business of the Bond Trustee on the day immediately preceding any payment date on the Series 2021A Note in excess of the aggregate amount then required to be contained in such account of the Bond Fund pursuant to Section 5.2 hereof shall be credited pro rata against the payments due by the Obligor on such next succeeding principal or interest payment date on the Series 2021A Note.

In the event that all of the Series 2021A Bonds then Outstanding are called for redemption, any amounts contained in the Reserve Fund and the Bond Fund at the close of business of the Bond Trustee on the day immediately preceding such redemption date shall be credited against the payments due by the Obligor on the Series 2021A Note, as provided below.

The principal amount of any Series 2021A Bonds to be applied by the Bond Trustee as a credit against any sinking fund payment pursuant to Section 5.02 of the Bond Indenture shall be credited against the obligation of the Obligor with respect to payment of installments of principal of the Series 2021A Note as described in the Supplemental Indenture.

The cancellation by the Bond Trustee of any Series 2021A Bonds purchased by the Obligor or of any Series 2021A Bonds redeemed or purchased by the Issuer through funds other than funds received on the Series 2021A Note shall constitute payment of a principal amount of the Series 2021A Note equal to the principal amount of the Series 2021A Bonds so cancelled. The Bond Trustee shall give notice of such cancellation to the Master Trustee and shall at the request of the Obligor endorse on the Series 2021A Note such payment of such principal amount thereof.

SECTION 5.4 NOTE. Concurrently with the sale and delivery by the Issuer of the Bonds, the Obligor shall execute and deliver the Series 2021A Note substantially in the form set forth in the Supplemental Indenture.

SECTION 5.5 PAYMENT OF BOND TRUSTEE'S AND PAYING AGENT'S FEES AND EXPENSES. The Obligor agrees to pay the reasonable and necessary fees and expenses (including attorney's fees) of the Bond Trustee and any Paying Agents as and when the same become due, upon submission by the Bond Trustee or any Paying Agent of a statement therefor.

SECTION 5.6 RESERVE FUND. (a) In the event any moneys in the Reserve Fund are transferred to the Bond Trustee for deposit to the Bond Fund pursuant to Section 3.10 or 3.11 of the Bond Indenture, as described in Section 6.03(d) of the Bond Indenture, except if such moneys are transferred due to the redemption of all Series 2021A Bonds, the Obligor agrees to deposit additional funds or Reserve Fund Obligations in an amount sufficient to satisfy the Reserve Fund Requirement for such Account, such amount to be deposited in accordance with Section 6.03(d) of the Bond Indenture.

(b) In the event the value of the Reserve Fund Obligations (as determined pursuant to the statement of the Bond Trustee furnished in accordance with Section 6.03 of the Bond Indenture and for the reason described in Section 6.03(c) of the Bond Indenture) on deposit in the Reserve Fund is less than the Reserve Fund Requirement, the Obligor agrees to deposit additional funds or Reserve Fund Obligations into the Reserve Fund in an amount sufficient to satisfy the Reserve Fund Requirement, such amount to be deposited in accordance with Section 6.03(c) of the Bond Indenture.

SECTION 5.7 PAYMENT OF ADMINISTRATION EXPENSES. In consideration of the agreement of the Issuer to issue the Series 2021A Bonds and loan the proceeds thereof to the Obligor, the Obligor hereby agrees to pay any and all costs paid or incurred by the Issuer in connection with the financing or refinancing of the Project, whenever incurred, including out of pocket expenses and compensation in connection with the issuance of Series 2021A Bonds, including, without limitation, reasonable sums for reimbursement of the fees and expenses

incurred by the Issuer's financial advisors, consultants and legal counsel in connection with the Project and the issuance of the Series 2021A Bonds.

SECTION 5.8 PAYEES OF PAYMENTS. The payments on the Series 2021A Note pursuant to Section 5.2 hereof shall be paid in funds immediately available at the Payment Office of the Bond Trustee, directly to the Bond Trustee for the account of the Issuer and shall be deposited into the appropriate account of the Bond Fund. The amounts provided for in Section 5.6 hereof shall be paid to the Bond Trustee for the account of the Issuer and shall be deposited into the Reserve Fund. The payments to be made to the Bond Trustee and the Paying Agent under Section 5.5 hereof shall be paid directly to the Bond Trustee and the Paying Agent for their own use. The payments for Administration Expenses under Section 5.7 hereof shall be paid directly to the Issuer for its own use.

SECTION 5.9 OBLIGATIONS OF OBLIGOR HEREUNDER UNCONDITIONAL. The obligations of the Obligor to make the payments required in Section 5.2 hereof shall be absolute and unconditional. The Obligor will not suspend or discontinue, or permit the suspension or discontinuance of, any payments provided for in Section 5.2 hereof for any cause including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction; destruction of or damage to the Facilities or the Project, commercial frustration of purpose, any change in the tax or other laws or administrative rulings of or administrative actions by the United States of America or the State of Florida or any political subdivision of either, or any failure of the Issuer to perform and observe any agreement, whether express or implied, or any duty, liability, or obligation arising out of or connected with this Loan Agreement, whether express or implied. Nothing contained in this Section shall be construed to release the Issuer from the performance of any agreements on its part herein contained; and in the event the Issuer shall fail to perform any such agreement, the Obligor may institute such action against the Issuer as the Obligor may deem necessary to compel performance; provided that no such action shall violate the agreements on the part of the Obligor contained herein and the Issuer shall not be required to pay any costs, expenses, damages or any amounts of whatever nature except for amounts received pursuant to this Loan Agreement. Nothing herein shall be construed to impair the Obligor's right to institute an independent action for any claim that it may have against the Issuer, the Bond Trustee, any Bondholder or any other third party. The Obligor may, however, at its own cost and expense and in its own name or in the name of the Issuer, prosecute or defend any action or proceedings or take any other action involving third persons which the Obligor deems reasonably necessary in order to secure or protect this right of possession, occupancy, and use hereunder, and in such event the Issuer hereby agrees to cooperate fully with the Obligor.

ARTICLE VI MAINTENANCE AND INSURANCE

SECTION 6.1 MAINTENANCE AND MODIFICATIONS BY OBLIGOR. The Obligor may, at its own expense, cause to be made from time to time any additions, modifications or improvements to the Project or the Facilities provided such additions, modifications or improvements do not impair the character of the Project or the Facilities as a "health care facility" and a "project" within the meaning of the Act or impair the extent of the exemption of interest on the Bonds from federal income taxation.

SECTION 6.2 INSURANCE. Throughout the term of this Loan Agreement, the Obligor will, at its own expense, provide or cause to be provided insurance against loss or damage to the Facilities in accordance with the terms of the Master Indenture.

**ARTICLE VII
SPECIAL COVENANTS**

SECTION 7.1 NO WARRANTY OF MERCHANTABILITY, CONDITION OR SUITABILITY BY THE ISSUER. The Issuer makes no warranty, either express or implied, as to the condition of the Project or that the Project will be suitable for the Obligor's purposes or needs. Without limiting the effect of the preceding sentence, it is expressly agreed that in connection with each sale or conveyance pursuant to this Loan Agreement (i) the Issuer makes no warranty of merchantability and (ii) there are no warranties which extend beyond the description contained herein.

SECTION 7.2 RIGHT OF ACCESS TO THE PROJECT. The Obligor agrees that the Issuer, the Bond Trustee, and any of their duly authorized agents shall have the right at all reasonable times upon reasonable notice to the Obligor to examine and inspect the Project to determine that the Obligor is in compliance with the terms and conditions of this Loan Agreement; provided that any such inspection will be conducted in a manner that will minimize any intrusion on the operations of the Project.

SECTION 7.3 NONSECTARIAN USE. The Obligor agrees that no proceeds of the Series 2021A Bonds will be used to finance the construction, acquisition or installation of any portion of the Project which is intended to be used or which is being used for sectarian purposes.

SECTION 7.4 FURTHER ASSURANCES. The Issuer and the Obligor agree that they will, from time to time, execute, acknowledge, and deliver, or cause to be executed, acknowledged, and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the intention of or facilitating the performance of this Loan Agreement.

SECTION 7.5 INDEMNIFICATION. (a) THE OBLIGOR AGREES THAT IT WILL AT ALL TIMES INDEMNIFY AND HOLD HARMLESS EACH OF THE INDEMNIFIED PARTIES AGAINST ANY AND ALL LOSSES, LIABILITIES, CLAIMS OR DEMANDS OR EXPENSES (INCLUDING ATTORNEYS FEES), INCLUDING LOSSES AS A RESULT OF THE NEGLIGENT ACTS OR OMISSIONS OF ANY INDEMNIFIED PARTY, OTHER THAN LOSSES RESULTING FROM FRAUD, WILLFUL MISCONDUCT OR THEFT ON THE PART OF THE INDEMNIFIED PARTY CLAIMING INDEMNIFICATION. THE OBLIGOR ALSO SHALL INDEMNIFY THE BOND TRUSTEE FOR, AND DEFEND AND HOLD IT HARMLESS AGAINST, ANY LOSSES, LIABILITIES, CLAIMS OR DEMANDS OR EXPENSES (INCLUDING ATTORNEYS FEES) INCURRED WITHOUT NEGLIGENCE OR BAD FAITH ON ITS PART, ARISING OUT OF OR IN CONNECTION WITH THE ACCEPTANCE OR ADMINISTRATION OF THE TRUST CREATED UNDER THE BOND INDENTURE OR THE PERFORMANCE OF ITS DUTIES UNDER THE BOND INDENTURE, INCLUDING THE COSTS AND EXPENSES OF DEFENDING ITSELF AGAINST ANY CLAIM OR LIABILITY IN CONNECTION WITH THE EXERCISE OR PERFORMANCE OF ANY OF ITS POWERS OR DUTIES UNDER THE BOND INDENTURE. THE BOND TRUSTEE MAY ENFORCE ITS RIGHTS UNDER THE PRECEDING SENTENCE AS A THIRD PARTY BENEFICIARY OF THIS LOAN AGREEMENT.

(b) NONE OF THE INDEMNIFIED PERSONS SHALL BE LIABLE TO THE OBLIGOR FOR, AND THE OBLIGOR HEREBY RELEASES EACH OF THEM FROM, ALL LIABILITY TO THE OBLIGOR FOR, ALL INJURIES, DAMAGES OR DESTRUCTION TO ALL OR ANY PART OF ANY PROPERTY OWNED OR CLAIMED BY THE OBLIGOR THAT DIRECTLY OR INDIRECTLY RESULT FROM, ARISE OUT OF OR RELATE TO THE DESIGN, CONSTRUCTION, OPERATION, USE, OCCUPANCY, MAINTENANCE OR OWNERSHIP OF THE PROJECT OR ANY PART THEREOF, EVEN IF SUCH INJURIES, DAMAGES OR DESTRUCTION DIRECTLY OR INDIRECTLY RESULT FROM, ARISE OUT OF OR RELATE TO, IN WHOLE OR IN PART, ONE OR MORE ACTS OR OMISSIONS, INCLUDING ACTS OR OMISSIONS CONSTITUTING NEGLIGENCE ON THE PART OF ANY INDEMNIFIED PERSON (BUT NOT INCLUDING ACTS OR OMISSIONS CONSTITUTING FRAUD, WILLFUL MISCONDUCT OR THEFT ON THE PART OF THE INDEMNIFIED PERSON CLAIMING RELEASE) IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2021A BONDS OR IN CONNECTION WITH THE PROJECT.

(c) Each Indemnified Person, as appropriate, shall reimburse the Obligor for payments made by the Obligor pursuant to this Section to the extent of any proceeds, net of all expenses of collection, actually received by it from any other source (but not from the proceeds of any claim against any other Indemnified Person) with respect to any Loss to the extent necessary to prevent a recovery of more than the Loss by such Indemnified Person with respect to such Loss. At the request and expense of the Obligor, each Indemnified Person shall claim or prosecute any such rights of recovery from other sources (other than any claim against another Indemnified Person) and such Indemnified Person shall assign its rights to such rights of recovery from other sources (other than any claim against another Indemnified Person), to the extent of such required reimbursement, to the Obligor.

(d) In case any Claim shall be brought or, to the knowledge of any Indemnified Person, threatened against any Indemnified Person in respect of which indemnity may be sought against the Obligor, such Indemnified Person promptly shall notify the Obligor in writing; provided, however, that any failure so to notify shall not relieve the Obligor of its obligations under this Section.

(e) The Obligor shall have the right to assume the investigation and defense of all Claims, including the employment of counsel and the payment of all expenses. Each Indemnified Person shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by such Indemnified Person unless (i) the employment of such counsel has been specifically authorized by the Obligor, in writing, (ii) the Obligor has failed after receipt of notice of such Claim to assume the defense and to employ counsel, or (iii) the named parties to any such action (including any impleaded parties) include both an Indemnified Person and the Obligor, and the Indemnified Person shall have been advised by counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the Obligor (in which case, if such Indemnified Person notifies the Obligor in writing that it elects to employ separate counsel at the Obligor's expense, the Obligor shall not have the right to assume the defense of the action on behalf of such Indemnified Person; provided, however, that the Obligor shall not, in connection with any one action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegation or circumstances, be liable for the reasonable fees and

expenses of more than one separate firm of attorneys for the Indemnified Parties, which firm shall be designated in writing by the Indemnified Parties).

(f) Each Indemnified Person shall cooperate with the Obligor, and the Obligor shall cooperate with each Indemnified Person, in the defense of any action or Claim.

(g) The Obligor shall not be liable for any settlement of any action or Claim without the Obligor's consent but, if any such action or Claim is settled with the consent of the Obligor or there be final judgment for the plaintiff in any such action or with respect to any such Claim, the Obligor shall indemnify and hold harmless the Indemnified Persons from and against any Loss by reason of such settlement or judgment to the extent provided in subsection (a) above.

(h) The provisions of this Section shall survive the termination of this Loan Agreement, and the obligations of the Obligor hereunder shall apply to Losses or Claims under subsection (a) above whether asserted prior to or after the termination of this Loan Agreement or the resignation or removal of the Bond Trustee. In the event of failure by the Obligor to observe the covenants, conditions and agreements contained in this Section, any Indemnified Person may take any action at law or in equity to collect amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Obligor under this Section. The obligations of the Obligor under this Section shall not be affected by any assignment or other transfer by the Issuer of its rights, titles or interests under this Loan Agreement to the Bond Trustee pursuant to the Bond Indenture and will continue to inure to the benefit of the Indemnified Parties after any such transfer. The provisions of this Section shall be cumulative with and in addition to any other agreement by the Obligor to indemnify any Indemnified Person.

SECTION 7.6 AUTHORITY OF OBLIGOR. Whenever under the provisions of this Loan Agreement the approval of the Obligor is required, or the Issuer or the Bond Trustee are required to take some action at the request of the Obligor, such approval or such request shall be made by the Obligor unless otherwise specified in this Loan Agreement and the Issuer or the Bond Trustee shall be authorized to act on any such approval or request and the Obligor shall have no complaint against the Issuer or the Bond Trustee as a result of any action taken.

SECTION 7.7 AUTHORITY OF ISSUER REPRESENTATIVE. Whenever under the provisions of this Loan Agreement the approval of the Issuer or the Bond Trustee are required, or the Obligor is required to take some action at the request of the Issuer, such approval or such request shall be made by the Issuer Representative unless otherwise specified in this Loan Agreement and the Obligor or the Bond Trustee shall be authorized to act on any such approval or request and the Issuer shall have no complaint against the Obligor or the Bond Trustee as a result of any such action taken.

SECTION 7.8 NO PERSONAL LIABILITY. No obligations contained in the Series 2021A Bonds, the Bond Indenture or this Loan Agreement shall be deemed to be the obligations of any officer, director, member, trustee, agent or employee of the Issuer, the Bond Trustee or the Obligor in his or her individual capacity, and neither the governing body of the Obligor or the Bond Trustee, nor any official of the Issuer executing the Series 2021A Bonds, the Bond Indenture or this Loan Agreement shall be liable personally thereon or be subject to any personal liability or accountability with respect thereto.

SECTION 7.9 FEES AND EXPENSES. The Obligor agrees to pay promptly upon demand therefor all costs paid, incurred or charged by the Issuer in connection with the

Bonds, including without limitation, (i) all fees required to be paid to the Issuer with respect to the Series 2021A Bonds, (ii) all out of pocket expenses and Cost of Issuance (including reasonable fees and expenses of attorneys employed by the Issuer) reasonably incurred by the Issuer in connection with the issuance of the Series 2021A Bonds, and (iii) all out of pocket expenses (including reasonable fees and expenses of attorneys employed by the Issuer) reasonably incurred by the Issuer in connection with the enforcement of any of its rights or remedies or the performance of its duties under the Bond Indenture or this Loan Agreement.

ARTICLE VIII ASSIGNMENT AND LEASING

SECTION 8.1 ASSIGNMENT AND LEASING BY OBLIGOR. This Loan Agreement may be assigned, and all or any portion of the Project may be leased by the Obligor without the consent of either the Issuer or the Bond Trustee; provided that each of the following conditions is complied with:

(a) No assignment or leasing shall relieve the Obligor from primary liability for any of its obligations hereunder, and in the event of any such assignment or leasing the Obligor shall continue to remain primarily liable for payment of the loan payments and other payments specified in Article V hereof and for performance and observance of the other covenants and agreements contained herein; provided that if: (i) the Obligor withdraws from the Obligated Group (as defined in the Master Indenture) and is released from its obligations on the Series 2021A Note by the Master Trustee pursuant to the Master Indenture; and (ii) this Loan Agreement has been assigned to a remaining member of the Obligated Group in accordance with this Section 8.1, the Obligor shall also be released from its liability for its obligations hereunder, including payment of the loan payments and other payments specified in Article V hereof and the performance and observance of the other covenants and agreements contained herein.

(b) The assignee or lessee shall assume in writing the obligations of the Obligor hereunder to the extent of the interest assigned or leased; provided that the provisions of this subsection shall not apply to a lease of a portion of the Project or an operating contract for the performance by others of Obligor or medical services on or in connection with the Project, or any part thereof.

(c) The requirements relating to assignment and leasing contained in the Tax Compliance Agreement and Master Indenture are met.

(d) The Obligor shall, within 30 days after the delivery thereof, furnish or cause to be furnished to the Issuer and the Bond Trustee a true and complete copy of each such assumption of obligations and assignment or lease of the Project, as the case may be.

SECTION 8.2 ASSIGNMENT AND PLEDGE BY ISSUER. Solely pursuant to the Bond Indenture, the Issuer may assign its interest in and pledge any moneys receivable under the Series 2021A Note and this Loan Agreement (except in respect of certain rights to indemnification and for Administration Expenses, indemnification and payment of attorneys' fees and expenses pursuant to Sections 5.7, 7.5 and 9.5 hereof and to the right to receive notices) to the Bond Trustee as security for payment of the principal of, premium, if any, and interest on the Series 2021A Bonds. The Obligor consents to such assignment and pledge.

ARTICLE IX
FAILURE TO PERFORM COVENANTS AND REMEDIES THEREFOR

SECTION 9.1 FAILURE TO PERFORM COVENANTS. Upon failure of the Obligor to pay when due any payment (other than failure to make any payment on the Series 2021A Note, which default shall have no grace period) required to be made under this Loan Agreement or to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, and continuation of such failure for a period of 60 days after written notice, specifying such failure and requesting that it be remedied, is given to the Obligor by the Issuer or the Bond Trustee, the Issuer or the Bond Trustee shall have the remedies provided in Section 9.2 hereof.

SECTION 9.2 REMEDIES FOR FAILURE TO PERFORM. Upon the occurrence of a failure of the Obligor to perform as provided in Section 9.1 hereof, the Issuer or the Bond Trustee, as assignee or successor of the Issuer, upon compliance with all applicable law, in its discretion may take any one or more of the following steps:

(a) If the Bond Trustee has declared the Series 2021A Bonds immediately due and payable pursuant to the terms of the Bond Indenture, by written notice to the Obligor, declare an amount equal to all amounts then due and payable on the Series 2021A Bonds, whether by acceleration of maturity (as provided in the Bond Indenture) or otherwise, to be immediately due and payable as liquidated damages under this Agreement and not as a penalty, whereupon the same shall become immediately due and payable;

(b) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Issuer, and require the Obligor to carry out any agreements with or for the benefit of the Bondholders and to enforce performance and observance of any duty, obligation, agreement or covenant of the Obligor under the Act or this Loan Agreement; or

(c) by action or suit in equity require the Obligor to account as if it were the trustee of an express trust for the Issuer; or

(d) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Issuer; or

(e) upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Bond Trustee and the Bondholders, have appointed a receiver or receivers of the Trust Estate upon a showing of good cause with such powers as the court making such appointment may confer.

SECTION 9.3 DISCONTINUANCE OF PROCEEDINGS. In case any proceeding taken by the Issuer or the Bond Trustee on account of any failure to perform under Section 9.1 shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Issuer or the Bond Trustee, then and in every case the Issuer and the Bond Trustee shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Issuer and the Bond Trustee shall continue as though no such proceeding had been taken.

SECTION 9.4 NO REMEDY EXCLUSIVE. No remedy herein conferred upon or reserved to the Issuer or the Bond Trustee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in

equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Bond Trustee to exercise any remedy reserved to it in this Article IX, it shall not be necessary to give any notice, other than notice required in Section 9.1 hereof. Such rights and remedies given the Issuer hereunder shall also extend to the Bond Trustee and the holders of the Bonds, subject to the Bond Indenture.

SECTION 9.5 AGREEMENT TO PAY ATTORNEYS' FEES AND EXPENSES. In the event the Issuer or the Bond Trustee should employ attorneys or incur other expenses for the enforcement of performance or observance of any obligation or agreement on the part of the Obligor herein or in the Bond Indenture contained, the Obligor agrees that it will on demand therefor pay to the Issuer or the Bond Trustee, as the case may be, the reasonable fee of such attorneys and such other reasonable expenses incurred by the Issuer or the Bond Trustee.

SECTION 9.6. WAIVERS. In the event any agreement contained in this Loan Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach waived and shall not be deemed to waive any other breach hereunder. In view of the assignment of the Issuer's rights in and under this Loan Agreement to the Bond Trustee under the Bond Indenture, the Issuer shall have no power to waive any failure to perform under Section 9.1 hereunder without the consent of the Bond Trustee (other than a failure to observe the covenants contained in Section 4.10 hereof, which may be waived by the Issuer without the consent of the Bond Trustee).

ARTICLE X

PREPAYMENT OF SERIES 2021A NOTE

SECTION 10.1 GENERAL OPTION TO PREPAY NOTE. The Obligor shall have and is hereby granted the option exercisable at any time to prepay all or any portion of its payments due or to become due on the Series 2021A Note by depositing with the Bond Trustee for payment into the Bond Fund an amount of money or Government Obligations the principal and interest on which when due, will be equal to an amount sufficient to pay the principal of, premium, if any, and interest on any portion of the Series 2021A Bonds then Outstanding under the Bond Indenture, without penalty. The exercise of the option granted by this Section shall not be cause for redemption of Series 2021A Bonds unless such redemption is permitted at that time under the provisions of the Bond Indenture and the Obligor specifies the date for such redemption. In the event the Obligor prepays all of its payments due and to become due on the Series 2021A Note by exercising the option granted by this Section and upon payment of all reasonable and necessary fees and expenses of the Bond Trustee, the Issuer and any Paying Agent accrued and to accrue through final payment of the Series 2021A Bonds called for redemption as a result of such prepayment and of all Administration Expenses through final payment of the Series 2021A Bonds called for redemption as a result of such prepayment, this Loan Agreement shall terminate; provided that no such termination shall occur unless all of the Series 2021A Bonds are no longer Outstanding.

SECTION 10.2 CONDITIONS TO EXERCISE OF OPTION. To exercise the option granted in Section 10.1 hereof, the Obligor shall give written notice to the Bond Trustee which shall specify therein the date of such redemption, which date shall be not less than 30 days from the date the notice is mailed.

**ARTICLE XI
MISCELLANEOUS**

SECTION 11.1 NOTICES. Any notice, request or other communication under this Loan Agreement shall be given in writing and shall be deemed to have been given by either party to the other party at the addresses shown below upon any of the following dates:

(a) The date of notice by facsimile, electronic mail or similar communications, which is confirmed promptly in writing;

(b) Three Business Days after the date of the mailing thereof, as shown by the post office receipt if mailed to the other party hereto by registered or certified mail; or

(c) The date of the receipt thereof by such other party if not given pursuant to (a) or (b) above.

The address for notice for each of the parties shall be as follows:

To the Issuer:

St. Johns County Industrial
Development Authority
500 San Sebastian View
St. Augustine, Florida 32084
Attn: Jennifer Zuberer
Telephone: (904) 209-0560
Telecopier: _____
Email: jzuberer@sjcfl.us

To the Borrower:

Life Care Ponte Vedra, Inc.
1000 Vicar's Landing Way
Ponte Vedra Beach, Florida 32082
Attn: Bruce Jones, CEO
Telephone: (904) 273-1700
Telecopier: _____
Email: bjones@vicarslanding.com

To the Bond Trustee:

U.S. Bank National Association
225 Water Street, Suite 700
Jacksonville, Florida 32202
Attention: Global Corporate Trust
Telephone: (904) 358-5363
Telecopier: (904) 358-5374
Email: Sheryl.lear@usbank.com

Notwithstanding the foregoing, notices to the Bond Trustee shall be effective only upon receipt.

SECTION 11.2 BINDING EFFECT. This Loan Agreement shall inure to the benefit of and shall be binding upon the Issuer, the Obligor, and their respective successors and assigns, subject, however, to the limitations contained in Sections 8.1, 8.2 and 11.9 hereof.

SECTION 11.3 SEVERABILITY. In the event any provision of this Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 11.4 AMOUNTS REMAINING IN FUNDS. It is agreed by the parties hereto that any amounts remaining in the Cost of Issuance Fund, Bond Fund, the Reserve Fund and any Construction Fund upon expiration or sooner termination of this Loan Agreement, after payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Bond Indenture), the fees, charges, and expenses of the Bond Trustee, the Issuer and the Paying Agent in accordance with the Bond Indenture, the Administration Expenses and all other amounts required to be paid under this Loan Agreement and the Bond Indenture, shall belong to and be paid to the Obligor by the Bond Trustee or the Issuer.

SECTION 11.5 AMENDMENTS, CHANGES, AND MODIFICATIONS. Except as otherwise provided in this Loan Agreement or in the Bond Indenture, subsequent to the initial issuance of Series 2021A Bonds and prior to their payment in full (or provision for the payment thereof having been made in accordance with the provisions of the Bond Indenture), this Loan Agreement may not be effectively amended, changed, modified, altered, or terminated without the prior written consent of the Bond Trustee, or to the extent of a change in rights of the Issuer, the Issuer, including, without limitation, amendments with respect to indemnification and payment of fees and expenses of the Issuer.

SECTION 11.6 EXECUTION IN COUNTERPARTS. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 11.7 PAYMENT. At such time as the principal of, premium, if any, and interest on all Series 2021A Bonds Outstanding under the Bond Indenture shall have been paid, or shall be deemed to be paid, in accordance with the Bond Indenture, and all other sums payable by the Obligor under this Loan Agreement shall have been paid, the Series 2021A Note shall be deemed to be fully paid and shall be delivered by the Bond Trustee to the Obligor.

SECTION 11.8 GOVERNING LAW. This Loan Agreement shall be governed and construed in accordance with the law of the State of Florida.

SECTION 11.9 NO PECUNIARY LIABILITY OF ISSUER. No provision, covenant, or agreement contained in this Loan Agreement, or any obligations herein imposed upon the Issuer, or the breach thereof, shall constitute an indebtedness of the Issuer within the meaning of any Florida constitutional provision or statutory limitation or shall constitute or give rise to a pecuniary liability of the Issuer or a charge against its general credit. In making the agreements, provisions, and covenants set forth in this Loan Agreement, the Issuer has not obligated itself except with respect to the application of the revenues, income, and all other property therefrom, as hereinabove provided.

SECTION 11.10 PAYMENTS DUE ON HOLIDAYS. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Loan Agreement, shall be a legal holiday or a day on which banking institutions in Jacksonville, Florida are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such

banking institutions are authorized by law to remain closed with the same force and effect as if done on the nominal date provided in this Loan Agreement.

SECTION 11.11 NO INDIVIDUAL LIABILITY. No covenant or agreement contained in this Loan Agreement or the Bond Indenture shall be deemed to be the covenant or agreement of any member of the governing body of the Obligor or the Bond Trustee or of any officer, director, trustee, agent or employee of the Issuer, the Bond Trustee or the Obligor or the governing body of St. Johns County, Florida, in his or her individual capacity, and none of such persons shall be subject to any personal liability or accountability by reason of the execution hereof, whether by virtue of any constitution, statute or rule of law, or by the enforcement or any assessment or penalty, or otherwise.

SECTION 11.12 SURVIVAL OF COVENANTS. All covenants, agreements, representations and warranties made by the Obligor in this Loan Agreement, the Bond Indenture, the Series 2021A Note and the Series 2021A Bonds, and in any certificates or other documents or instruments delivered pursuant to this Loan Agreement or the Bond Indenture, shall survive the execution and delivery of this Loan Agreement, and the Bond Indenture and the Series 2021A Note and shall continue in full force and effect until the Series 2021A Bonds and the Series 2021A Note are paid in full and all of the Obligor's other payment obligations (including without limitation the indemnification obligation under Section 7.5 hereof and the obligations under Sections 5.5, 5.7 and 9.5 hereof) under this Loan Agreement, the Bond Indenture, the Series 2021A Note and the Series 2021A Bonds are satisfied. All such covenants, agreements, representations and warranties shall be binding upon any successor and assigns of the Obligor.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the Issuer and the Obligor have caused this Loan Agreement to be executed in their respective corporate names, all as of the date first above written.

ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By: _____
Chairman

(OFFICIAL SEAL)

ATTEST:

Secretary

LIFE CARE PONTE VEDRA, INC., a Florida
not for profit corporation

By: _____
Bruce Jones, Chief Executive Officer

EXHIBIT A
PROJECT DESCRIPTION

EXHIBIT B

FORM FOR COST OF ISSUANCE DISBURSEMENT

NO. _____

U.S. Bank National Association
225 Water Street, Suite 700
Jacksonville, Florida 32202
Attention: Global Corporate Trust

Re: St. Johns County Industrial Development Authority Senior Living Revenue Bonds
(Vicar's Landing Project), Series 2021A (the "Bonds")

Ladies and Gentlemen:

This request for disbursement is submitted to you pursuant to Section 4.7 of the Loan Agreement (the "Loan Agreement") dated as of _____, 2021, between the St. Johns County Industrial Development Authority and Life Care Ponte Vedra, Inc. (the "Obligor") relating to the captioned Bonds. Terms used in this requisition shall have the meanings specified for them in the Loan Agreement. The Bond Trustee is hereby authorized and directed to make payment from the Cost of Issuance Fund as specified in Schedule A attached hereto. The undersigned authorized representative of the Obligor hereby certifies to you in connection with the amount for which payment is requested by this requisition, as follows:

1. The obligations as set forth on this requisition were incurred in connection with the issuance of the Bonds;
2. All previous disbursements, if any, made pursuant to Section 4.7 of the Loan Agreement have been expended for Costs of Issuance described in prior requisitions, if any, submitted by the authorized representative of the Obligor;
3. This requisition is for costs that were properly incurred and are proper charges against the Cost of Issuance Fund;
4. The expenditures of the amount requested under this requisition, when added to all disbursements under previous requisitions, will result in no more than two percent (2%) of the aggregate face amount of the Bonds being used for payment of Costs of Issuance related to the Bonds;
5. Nothing has come to the attention of the Obligor that would cause it to conclude that the representations and warranties contained in the Loan Agreement are not true and correct as of the date hereof; and
6. No event has occurred and is continuing which constitutes an Event of Default under the Bond Indenture or the Loan Agreement.

Date: _____

LIFE CARE PONTE VEDRA, INC., as
Obligor

By: _____
Authorized Officer

Schedule A
to
Cost of Issuance Disbursement No. _____

Amounts to be paid

Item # _____
Name _____
Payment Method _____
Amount _____
Purpose _____

EXHIBIT "C"

Form of Bond Purchase Agreement

BOND PURCHASE AGREEMENT

Dated as of [Date]

Relating to:

\$ _____
ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
SENIOR LIVING REVENUE BONDS
(VICAR'S LANDING PROJECT)
SERIES 2021A

[Date]

St. Johns County Industrial Development Authority

Life Care Ponte Vedra, Inc.
Ponte Vedra, Florida

Ladies and Gentlemen:

The undersigned, B.C. Ziegler and Company (the "Underwriter"), offers to enter into this Bond Purchase Agreement with the St. Johns County Industrial Development Authority (the "Issuer") and (i) Life Care Ponte Vedra, Inc. ("LCPV") and (ii) Vicar's Landing Foundation, Inc. (collectively, the "Obligor" and, together, the "Obligated Group") which will become binding upon the Issuer, the Obligated Group and the Underwriter upon the Issuer's and the Obligated Group's acceptance evidenced by execution of this Bond Purchase Agreement. Capitalized terms used herein and not defined shall have the meaning assigned to such terms in the hereinafter defined Loan Agreement, Master Indenture and Bond Indenture.

SECTION 1. PURCHASE AND SALE OF BONDS.

(a) Upon the terms and conditions and upon the basis of the representations, warranties, and covenants contained in this Bond Purchase Agreement, the Underwriter hereby agrees to purchase from the Issuer for offering to the public and the Issuer hereby agrees to sell to the Underwriter for such purpose all (but not less than all) of \$_____ in aggregate principal amount of its Senior Living Revenue Bonds (Vicar's Landing Project) Series 2021A (the "Bonds") at the prices expressed as a percentage of the aggregate principal amount of such bonds shown on Exhibit A hereto. The purchase price of the Bonds is \$_____ which is the par amount of the Bonds of \$_____ [plus/less] aggregate original issue [premium/discount] of \$_____ less underwriter discount of \$_____. The Bonds are subject to optional redemption prior to maturity as described in Exhibit B hereto.

(b) Payment of the purchase price for the Bonds shall be made by wire in immediately available funds payable to the order of U.S. Bank National Association, as bond trustee (the "Bond Trustee") for the account of the Issuer. Settlement of the transaction will be held at the offices of Bryant Miller Olive LLP in Jacksonville, Florida on _____, 2021 (the "Closing"), or such other place, time, or date as shall be mutually agreed upon by the Issuer, the Obligated Group, and the Underwriter, against delivery of the Bonds to the Underwriter or the persons designated by the Underwriter. The date and time of such delivery and payment is herein called the "Closing." The delivery of the Bonds shall be made to the Bond Trustee in definitive form (provided neither the printing of a wrong CUSIP number on any Bond nor the failure to print a CUSIP number thereon shall constitute cause to refuse delivery of any Bond) and registered in the name of Cede & Co. At the Closing the Bonds shall be delivered to the Bond Trustee on behalf of The Depository Trust Company ("DTC") under the DTC Fast Service.

(c) The Underwriter, in its discretion, may permit other securities dealers who are members of the Financial Industry Regulatory Authority ("FINRA") to assist in selling the Bonds, and the Underwriter agrees to pay or reallow such securities dealers a fee or selling commission to be paid from the underwriting fee provided in Section 8 of this Bond Purchase Agreement. The Underwriter agrees that it will not sell the Bonds in a manner which will jeopardize the tax-exempt status of the interest on the Bonds and, in connection with this agreement, agrees that it will not sell Bonds to an "underwriter" or "dealer" for a price lower than 100% of the aggregate principal amount of Bonds being sold plus accrued

interest from the date of the Bonds to the date of payment and delivery. The Underwriter agrees to exercise its best efforts to determine whether purchasers of the Bonds are “Underwriters” or “dealers.”

(d) The Bonds shall be issued under and secured as provided in the Indenture of Trust to be dated as of _____ 1, 2021 (the “Bond Indenture”) and the Bonds shall have the maturities and interest rates, be subject to redemption, and shall be otherwise as described and as set forth in Exhibit A hereto and the Bond Indenture.

SECTION 2. DESCRIPTION OF FINANCING.

(a) As permitted by Chapter 159, Part III, Florida Statutes, as amended (the “Act”), the Issuer is authorized to issue its revenue bonds and to loan the proceeds thereof for the purposes set forth in the Act and pursuant to Resolution No. 2021-____ duly adopted by the Issuer on April __, 2021 at a meeting duly called and held (the “Bond Resolution”), the Issuer has authorized the issuance and delivery of the Bonds. The Bonds will be issued under and secured by the Bond Indenture.

(b) The Obligated Group will use the proceeds of the Bonds, together with certain other moneys, in order to (i) currently refund the Issuer’s Health Care Revenue Bonds (Vicar’s Landing Project), Series 2014A & B (the “Series 2014 Bonds”), and (b) the Issuer’s Health Care Revenue and Revenue Refunding Bonds (Vicar’s Landing Project), Series 2016 (the “Series 2016 Bonds” and collectively with the Series 2014 Bonds, the “Refunded Bonds”) (ii) finance or refinance, including through reimbursement, part of the costs of certain expenses and capital improvements, the acquisition of land and the acquisition, construction, improvement and equipping capital improvements to and expansions of the Facilities (as defined in the Loan Agreement), including construction of 109 independent living units and related common areas or an approximate 40-acre parcel of land in St Johns County, Florida (the “Project”), (iii) funding a debt service reserve for the Series 2021A Bonds, (iv) funding certain capitalized interest on the Bonds and (v) paying all or a portion of the cost of issuing the Series 2021A Bonds.

(c) The Bonds are being issued pursuant to the Bond Indenture, the Act and the Bond Resolution. The Issuer will loan the proceeds of the Bonds to the Obligated Group pursuant to a Loan Agreement to be dated as of _____ 1, 2021 (the “Loan Agreement”), between the Issuer and the Obligated Group. The obligation of the Obligated Group to repay the loan from the Issuer relating to the Bonds will be evidenced by a promissory note of the Obligated Group (“Series 2021A Note”), issued under and entitled to the benefit and security of a Master Trust Indenture, dated as of _____ 1, 2021, as supplemented by Master Indenture Supplement No. 1, to be dated as of _____ 1, 2021, and each between U.S. Bank National Association, as successor master trustee (the “Master Trustee”) and the Obligated Group (collectively, the “Master Indenture”). The Series 2021A Note will constitute an unconditional promise by each Member of the Obligated Group to pay amounts sufficient to pay principal of (whether at maturity, by acceleration or call for redemption) and premium, if any, and interest on the Bonds.

(d) Simultaneously with the issuance of the Bonds, the Issuer will issue its \$ _____ Senior Living Revenue Bond (Vicar’s Landing Project) Series 2021B (“Bank Bond”) on a draw-down basis and will sell the Bank Bond to BBVA Mortgage Corporation (“BVVA”). The Issuer will lend the proceeds of the Bank Bond to the Obligor pursuant to a Financing Agreement, dated as of _____ 1, 2021 (the “Bank Loan Agreement”), among the Issuer, the Obligor and the Bank, to pay certain costs of the Project, fund capitalized interest on the Bank Bond, and pay the cost of issuance of the Bank Bond. LCPV and the Bank are entering into (a) Continuing Covenants Agreement dated as of _____, 2021 (the “Continuing Covenants Agreement”) and (b) an Amended and Restated Credit Agreement dated as of _____, 2021 between LCPV and the Bank (the “Line of Credit Agreement”). The obligation of

the Obligated Group to repay the loan from the Issuer relating to the Bank Bond, the Continuing Covenants Agreement and the Line of Credit Agreement will be evidenced by a promissory note of the Obligated Group (the "Bank Note") issued under and entitled to the benefit and security of the Master Indenture, as supplemented by Master Indenture Supplement No. 2.

(e) The Obligor and OBDP have executed and delivered a Ground Lease Agreement dated as of January 31, 2020 (the "Ground Lease") whereby the Obligor is leasing the site of the Project.

(f) The Series 2021A Note will be secured on a parity basis with any other Obligations hereafter issued under the Master Indenture, by a lien on and security interest in the Mortgaged Property granted to the Master Trustee pursuant to (i) the [describe mortgage, amendments, parties] (collectively, the "Mortgage") and (ii) the [describe leasehold mortgage] (the "Leasehold Mortgage" and collectively with the Mortgage, the "Mortgages"). Pursuant to the Mortgages, as security for the payment of amounts due on all Obligations issued under the Master Indenture, including the Series 2021A Note, the Obligated Group has granted to the Master Trustee a lien on the Mortgaged Property.

(g) The Obligor has entered into a AIA A133-2017 Standard Form of Agreement Between the Obligor and Danis Construction, LLC (the "Danis Construction Contract") whereby Danis Construction, LLC (the "General Contractor") will construct four apartment buildings, the clubhouse, the gatehouse and the two buildings that are expected to house the Expansion Independent Living Units. Dostie Homes will serve as the design builder for the cottages that are part of the Expansion Project pursuant to a [Name of Agreement] (the "Dostie Construction Contract"). RLPS, LLC (the "Architect") is serving as the architect for the Expansion Project pursuant to [Name of Architect Agreement] (the "Architect Agreement"). The Obligor has engaged Clark Advisory Services, LLC (the "Owner's Representative") to serve as the Obligor's owner's representative pursuant to a letter agreement dated as of November 29, 2017 (the "Owner's Representative Agreement"). [Add Development Agreement and other project documents].

(h) The Obligor will collaterally assign its interests in the Danis Construction Contract, the Dostie Construction Contract, the Architect Agreement, the [Development Agreement] pursuant to an Assignment of Contract Documents dated as of _____, 2021 (the "Assignment of Contract Documents") in favor of the Master Trustee.

SECTION 3. PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL STATEMENT AND OFFERING OF BONDS.

(a) The Issuer and the Obligated Group each hereby authorize and ratify the distribution by the Underwriter of the Preliminary Official Statement dated _____, 2021 and Official Statement dated _____, 2021 (collectively, the "Official Statement"), relating to the Bonds. The Preliminary Official Statement has been "deemed final" as of its date by the Issuer and the Obligated Group for purposes of Rule 15c2-12 ("Rule 15c2-12") promulgated by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934, as amended (the "1934 Act"), except for the permitted omissions described in paragraph (b)(1) of Rule 15c2-12. The Bonds will be offered for sale by the Underwriter pursuant to a definitive Official Statement.

(b) The Underwriter acknowledges that, except the information contained under the headings "SHORT STATEMENT – The Issuer," "THE ISSUER" and "LITIGATION – The Issuer," the Issuer (i) has not participated in the preparation of the Official Statement, (ii) has made no independent investigation and has furnished no information contained in the Official Statement and (iii) assumes no responsibility with respect to the sufficiency, accuracy, or completeness of any of the information

contained in the Official Statement or any other document used in connection with the offer and sale of the Bonds.

(c) The Obligated Group shall deliver, or cause to be delivered, to the Underwriter copies of the Official Statement in sufficient quantities for the Underwriter to comply with Rule 15c2-12(b)(2) promulgated by the Commission under the 1934 Act.

(d) The Obligated Group shall deliver, or cause to be delivered, to the Underwriter copies of the Official Statement in sufficient quantities necessary, in the Underwriter's opinion, to accompany any confirmation that requests payment from any customer and to comply with rules of the Commission and the Municipal Securities Rulemaking Board ("MSRB").

(e) To the extent required by rules of the Commission or MSRB, the Issuer and the Obligated Group hereby authorize the Underwriter to deliver the Official Statement to a nationally recognized municipal securities information repository and the Underwriter agrees to make such delivery.

(f) The Issuer and the Obligated Group will not amend or supplement the Official Statement without the consent of the Underwriter, which consent will not be unreasonably withheld. From the date hereof until the earlier of (i) ninety (90) days from the End of the Underwriting Period (as defined in Rule 15c2-12) or (ii) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case less than twenty-five (25) days following the end of the underwriting period (as defined in Rule 15c2-12), if any event occurs as a result of which the Issuer or the Obligated Group believes it may be necessary to amend or supplement the Official Statement in order to correct any untrue statement of a material fact contained in the Official Statement or to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer and the Obligated Group will notify the Underwriter in writing of such event and, if such event requires, in the opinion of the counsel to the Underwriter, or in the determination of the Issuer or the Obligor, an amendment or supplement to the Official Statement, at the Obligated Group's expense the Issuer and the Obligated Group will amend or supplement the Official Statement in a form and in a manner jointly approved by the Issuer, the Obligated Group and the Underwriter, which approval will not be unreasonably withheld, so the Official Statement, as so amended or supplemented, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which such statements were made, not misleading.

(g) The Underwriter intends to make a bona fide public offering of all of the Bonds at the offering prices (or yields) set forth on the inside cover of the Official Statement; it being understood and agreed that after the initial offering the Underwriter reserves the right change such public offering prices (or yields) as the Underwriter deems necessary in connection with the marketing of the Bonds.

(h) The Issuer and the Obligated Group each agree that it will cooperate with the Underwriter in the qualification of the Bonds for offering and sale and the determination of their eligibility for investment under the laws of such jurisdictions as the Underwriter shall designate; provided, however, the Issuer shall not be liable for any expenses that are not paid or reimbursed by the Obligated Group, nor shall the Issuer be required to register as a dealer or broker in any such jurisdiction, nor execute a general consent to service of process or qualify to do business in connection with any such qualification of the Bonds in any such jurisdiction. The Obligated Group will reimburse the Issuer or cause it to be reimbursed for its reasonable out-of-pocket expenses, including attorneys' fees, in connection therewith.

SECTION 4. CONTINUING DISCLOSURE.

The Obligated Group will execute and deliver a Continuing Disclosure Certificate, to be dated as of _____ 1, 2021 (the "Continuing Disclosure Certificate"), in order to comply with the requirements for the dissemination of certain quarterly annual financial information and operating data, including audited financial statements, and notices required by Rule 15c2-12. monthly construction reports, dissemination agent?

SECTION 5. REPRESENTATIONS AND WARRANTIES OF THE ISSUER.

By the Issuer's acceptance hereof it hereby represents and warrants to, and covenants and agrees with, the Underwriter and the Obligated Group (and it shall be a condition of the obligation of the Underwriter to purchase and accept delivery of the Bonds at the Closing (as hereinafter defined) that the Issuer shall so represent and warrant as of the date of the Closing) that:

(a) It is a public body corporate and politic created and existing under the laws of the State of Florida. The Issuer is authorized under the provisions of Florida law, particularly the Act, to issue the Bonds and to lend the proceeds thereof to the Obligated Group.

(b) It has complied with all provisions of the Constitution and laws of the State of Florida and has full power and authority to consummate all transactions contemplated by this Bond Purchase Agreement, the [Name of Tax Agreement], to be dated as of Closing (the "Tax Agreement"), the Bonds, the Bond Indenture and the Loan Agreement (collectively, the "Issuer Documents").

(c) By the Bond Resolution duly adopted by it at a meeting duly called and held, it has duly and validly authorized the issuance and sale of the Bonds and the execution and delivery of the Issuer Documents.

(d) It has duly and validly authorized its officers and directors to take all necessary action that is not inconsistent with the terms and provisions of the Bond Resolution for: (1) the issuance, sale, and delivery of the Bonds upon the terms set forth herein, (2) the execution, delivery, and performance of the Bond Indenture providing for the issuance of and security for the Bonds (including the pledge of the payments to be received pursuant to the Loan Agreement and appointing the Bond Trustee as trustee, paying agent, and bond registrar under the Bond Indenture, (3) the loan of the proceeds of the Bonds pursuant to the Loan Agreement, (4) the carrying out, giving effect to, and consummation of the transactions contemplated hereby and (5) the consent to the distribution by the Underwriter of the Official Statement.

(e) The Issuer Documents, when executed by the other parties thereto at the Closing (as hereinafter defined), will have been duly and validly executed and delivered by the Issuer, will be in full force and effect as to the Issuer, and will constitute the legal, valid, and binding limited obligations of the Issuer, enforceable in accordance with their terms, except as limited by applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws from time to time in effect affecting the enforcement of creditors' rights generally and by general principles of equity affecting remedies. The Bonds, when issued, delivered, and paid for as herein and in the Bond Indenture provided, will have been duly and validly authorized and issued and will constitute valid and binding limited obligations of the Issuer enforceable in accordance with their terms and provisions, except as limited by applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws from time to time in effect affecting the enforcement of creditors' rights generally and by general principles of equity affecting remedies. The Bonds will be limited obligations of the Issuer, payable from and secured by the Trust Estate, including the moneys derived by the Issuer from the Obligated Group pursuant to the Loan Agreement, and will not constitute an obligation or debt of the Issuer, St. Johns County or the State of

Florida, or any political subdivision thereof, and neither the faith nor credit of the Issuer, St. Johns County or the State of Florida, or any political subdivision thereof, is pledged to the payment of the Bonds.

(f) To the best of the knowledge of the Issuer, there is no action, suit, proceeding, inquiry, or investigation at law or in equity or before or by any court, public board, or body pending or, to its knowledge, threatened against it (or to its knowledge, after making due inquiry with respect thereto, any basis therefor), wherein an unfavorable decision, ruling, or finding would adversely affect the transactions contemplated hereby or the validity of the Issuer Documents, or any other agreement or instrument to which it is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby.

(g) To the best of the knowledge of the Issuer, it is not in breach of or default under any court or administrative regulation, decree, or order of any court or governmental agency or body having jurisdiction over the Issuer, or any agreement, note, resolution, ordinance, indenture, mortgage, lease, or other instrument to which it is subject or by which it is bound which materially and adversely affects the transactions contemplated hereby. The Issuer, as a conduit issuer, issues its bonds as limited obligations of the Issuer, payable solely from payments to be made by the respective non-governmental entities which use or own the projects financed. Some bonds issued by the Issuer may have been, and may continue to be, in default, but to the best knowledge of the Issuer, the borrowers under the related loan or lease agreements are unrelated to the Obligated Group and other members of the Obligated Group, if any. To the best knowledge of the Issuer, the Issuer has not been in default as to the principal or interest at any time after December 31, 1975, as to any debt obligations relating to the Obligated Group or any other member of the Obligated Group. The consent to the use of the Official Statement and the execution and delivery of the Issuer Documents and the compliance with the provisions on the Issuer's part contained therein will not conflict with or constitute on its part a breach of or a default under its organizational documents or any agreement, note, resolution, ordinance, indenture, mortgage, lease, or other instrument to which it is subject or by which it is bound, or to its knowledge, any existing law, court or administrative regulation, decree, or order. No approval or other action by a governmental authority is required in connection with the execution and delivery by it of the Issuer Documents, or in connection with the performance by it or its obligations hereunder or thereunder, which has not been previously obtained or accomplished; provided, however, that the Issuer makes no representation or warranty with respect to compliance with applicable federal or state securities laws or Blue Sky laws of any jurisdiction in connection with the issuance and sale of the Bonds.

(h) It will not knowingly take or omit to take any action, which action or omission will in any way cause the proceeds from the sale of Bonds to be applied in a manner other than as provided in the Bond Indenture and the Loan Agreement or which would cause the interest on the Bonds to become includible in the gross income of the owners thereof for federal income tax purposes.

(i) The information contained under the headings "SHORT STATEMENT – The Issuer," "THE ISSUER" and "LITIGATION –The Issuer" in the Official Statement is true in all material respects.

(j) Any certificate signed by any of its authorized officers and delivered to the Underwriter shall be deemed a representation and warranty by the Issuer to the Underwriter as to the statements made therein, and not a representation or warranty of the individual signatories.

(k) It acknowledges and agrees that these representations and warranties are made to induce the Underwriter to purchase the Bonds, and that such representations and warranties and any other representations and warranties made by the Issuer to the Underwriter are made for the benefit of the ultimate purchasers of Bonds and may be relied upon by said purchasers.

(l) The Issuer acknowledges receipt of written disclosure from the Underwriter in accordance with Municipal Securities Rulemaking Board Rule G-17, relating to the duty of fair dealing owed by the Underwriter to both the Issuer and purchasers of the Bonds. The disclosure included, but was not limited to, the Underwriter's role in the transaction, potential conflicts of interest due to the Underwriter's role in the issuance of the Bonds and the compensation structure of the Underwriter.

SECTION 6. REPRESENTATIONS AND WARRANTIES OF THE OBLIGATED GROUP.

By the Obligated Group's acceptance hereof, the Obligated Group hereby represents and warrants to, and covenants and agrees with, the Underwriter and the Issuer (and it shall be a condition of the obligation of the Underwriter to purchase and accept delivery of the Bonds at the Closing (as hereinafter defined) that the Obligated Group shall so represent and warrant as of the date of the Closing) that:

(a) Each member of the Obligated Group has been organized and validly exists as a Florida nonprofit corporation. The Obligated Group has full power and authority to enter into and execute, deliver, and perform this Bond Purchase Agreement, the Loan Agreement, the Mortgage, the Tax Agreement, the Master Indenture, the Continuing Disclosure Certificate, the Architect Agreement, the Construction Contracts, the [Development Agreement], the Assignment of Contract Documents, the Continuing Covenants Agreement, the Line of Credit Agreement, the Owner's Representative Agreement and [add others] (collectively the "Obligated Group Documents"), and to own its properties and conduct its business, all as described in the Official Statement and as contemplated in the Obligated Group Documents. The Obligated Group is conducting its business in compliance with all applicable and valid laws, rules, and regulations of the State of Florida.

(b) The Obligated Group has duly authorized by all necessary action the execution, delivery, and performance of the Obligated Group Documents, the consent to the distribution by the Underwriter of the Official Statement, and the execution and delivery of the Official Statement. No approval, authorization, consent, or other action by any governmental body (other than the Issuer and other than consents and approvals (i) that already have been obtained or will be obtained at or prior to the Closing, (ii) are required under federal or state securities laws or (iii) are required under Florida law in connection with the issuance of the Bonds) is required in connection with the execution or performance by the Obligated Group of the Obligated Group Documents, and neither the execution nor the performance of the Obligated Group Documents will conflict with, breach, or violate the organizing documents of the Obligated Group or any indenture, mortgage, deed of trust, lease, note, judgment, decree, order, lien, statute, resolution, rule, regulation, plan, agreement, or other instrument or restriction to which the Obligated Group is a party or by which it or its property may be subject or bound; provided, however, that the Obligated Group makes no representation or warranty with respect to compliance with applicable federal or state securities laws in connection with the issuance of the Bonds. The Obligated Group Documents, when executed by the other parties thereto at or before the Closing, will have been duly and validly executed and delivered by the Obligated Group, will be in full force and effect as to the Obligated Group, and will constitute the legal, valid, binding, and enforceable obligations of the Obligated Group, enforceable in accordance with their terms, except as limited by applicable bankruptcy, reorganization, insolvency, or other similar laws affecting the enforcement of creditor rights generally and by general principles of equity affecting remedies.

(c) The Obligated Group is not in violation of any material provision of or in default under any indenture, mortgage, deed of trust, lease, indebtedness, agreement, instrument, lien, judgment, decree, order, statute, ordinance, rule, regulation, plan, or other restriction to which it is a party or by which it or its property is subject or bound, which violation would have any material adverse effect on the financing contemplated by the Official Statement, nor would any such violation result in any material adverse effect upon the operations, properties, assets, liabilities, or condition (financial or other) of the Obligated Group.

(d) There is no pending or, to the best of the Obligated Group's knowledge, threatened action, suit, proceeding, inquiry, or investigation, before or by any court, public board, or body against the Obligated Group, nor, to the best knowledge of the Obligated Group, is there any basis therefor, which would materially and adversely affect the transactions contemplated by the Official Statement, or which would materially and adversely affect the Bonds, the Obligated Group Documents or the financing or operation of the Community or which might result in any material adverse change in the operations, properties, assets, liabilities, or condition (financial or other) of the Obligated Group, or which affects the information contained in the Official Statement.

(e) To the best of the knowledge of the Obligated Group, no legislation, resolution, rule, or regulation have been enacted by any governmental body, department, or agency of Orange County, Florida or any other local government having jurisdiction over the Obligated Group (the "Local Governments"), the State of Florida or the United States of America, nor has any decision been rendered by any court of competent jurisdiction in the Local Governments, the State of Florida or the United States of America, which would materially and adversely affect the transactions contemplated by the Official Statement.

(f) The representations of the Obligated Group contained in this Bond Purchase Agreement and any certificate, document, written statement, or other instrument furnished by or on behalf of the Obligated Group to the Issuer or Underwriter in connection with the transactions contemplated hereby, do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein or therein not misleading. There is no fact that the Obligated Group has not disclosed to the Issuer or Underwriter in writing that materially and adversely affects or in the future may (so far as the Obligated Group can now reasonably foresee) materially and adversely affect the operation of the properties, business, operations, prospects, profits, or condition (financial or otherwise) of the Obligated Group, the ability of the Obligated Group to refund the Refunded Bonds as contemplated in the Official Statement or the ability of the Obligated Group to perform its obligations under the Obligated Group Documents, or in the other certificates, documents, and instruments furnished to the Underwriter by or on behalf of the Obligated Group prior to the date of delivery of the Official Statement in connection with the transactions contemplated hereby.

(g) The contents of the Official Statement are and at the End of the Underwriting Period (as defined in Section 3(f) hereof) will be complete, accurate, true, and correct in all material respects and do not or will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein made, in light of the circumstances under which they were made, not misleading. Nothing has come to the attention of the Obligated Group which leads it to believe that any portions of the Official Statement contain or will contain any untrue statement of a material fact or omit or will omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(h) It will not take or omit to take any action, which action or omission will in any way cause the proceeds from the sale of the Bonds to be applied in a manner other than as provided in the Bond Indenture and the Loan Agreement or which would cause the interest on the Bonds to become includible in the gross income of the owners thereof for federal income tax purposes.

(i) Any certificate signed by any of its authorized officers and delivered to the Underwriter shall be deemed a representation and warranty by the Obligated Group to the Underwriter as to the statements made therein.

(j) The entities that compose the Obligated Group are each a not-for-profit corporation organized and operated exclusively for charitable purposes (within the meaning of Section 501(a) of the

Code), not for pecuniary profit, no part of the net earnings of which inures to the benefit of any private shareholder or individual, all within the meaning of Subsection 3(a)(4) of the 1933 Act (as hereinafter defined) and of Subsection 12(g)(2)(D) of the 1934 Act. The entities that comprise the Obligated Group have each received a letter from the Internal Revenue Service that it is an organization described in Section 501(c)(3) of the Code. The Obligated Group is in compliance with all terms, conditions, and limitations, if any, contained in such letter and the statements made in the application to the Internal Revenue Service for such letter are true and accurate and the facts presented in such requests do not deviate in any material respect from the facts of the transactions contemplated by the Official Statement. The income of the Obligated Group is not subject to any taxes based on net income pursuant to the laws of the State of Florida except unrelated business income. The Obligated Group has not received any indication or notice, written or oral, from representatives of the Internal Revenue Service to the effect that its classification under Section 501(c)(3) of the Code has been revoked or modified or that the Internal Revenue Service is considering revoking or modifying such exemption.

(k) All licenses, consents, permits, approvals or authorizations, of any federal, state or local governmental issuer required on the part of the Obligated Group to be obtained in connection with the refunding of the Refunded Bonds and the acquisition, construction, operation of the Project for the purposes described in the Official Statement, the execution and delivery of the Obligated Group Documents, and the performance by the Obligated Group of its obligations thereunder and hereunder and the Obligated Group's consummation of the transactions contemplated thereby and by the Official Statement, have been duly obtained. The Obligated Group has complied, or by the date of Closing will have complied, with all applicable provisions of law requiring any designation, declaration, filing, registration or qualification with any governmental issuer in connection therewith, other than as may be required by state or federal securities laws.

(k) It acknowledges and agrees that these representations and warranties are made to induce the Underwriter to purchase the Bonds, and that such representations and warranties and any other representations and warranties made by the Obligated Group to the Underwriter in writing are made for the benefit of the ultimate purchasers of Bonds and may be relied upon by said purchasers.

SECTION 7. INDEMNIFICATION.

(a) The Obligated Group hereby agrees to indemnify and hold harmless the Issuer and Underwriter, together with each officer, employee, agent and member of the governing body of the Issuer and the Underwriter and each person who controls the Issuer or Underwriter within the meaning of either the Securities Act of 1933, as amended (the "1933 Act"), or the 1934 Act from and against any and all losses, claims, damages, liabilities, costs, and expenses (including, without limitation, fees and disbursements of counsel and other expenses incurred by them or any of them in connection with investigating or defending any loss, claim, damage, or liability or any suit, action, or proceeding, whether or not resulting in liability), joint or several, to which they or any of them may become subject under the 1933 Act, the 1934 Act, or any other applicable statute or regulation, whether federal or state, or at common law or otherwise, insofar as such losses, claims, damages, liabilities, costs, and expenses (or any suit, action, or proceeding in respect thereof) arise out of or are based upon any untrue or misleading statement or alleged untrue or misleading statement of a material fact contained in the Official Statement or in any amendment or supplement to any of the foregoing, or arise out of or are based upon the omission or alleged omission to state therein a fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which such statements were made, not misleading, provided, however, the Obligated Group will not be liable in any such case to the Underwriter to the extent that any such loss, claim, damage, liability, cost, or expense arises out of or is based upon any untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished by the Underwriter specifically for use in

connection with the preparation thereof. This indemnity agreement will be in addition to any liability that the Obligated Group may otherwise have.

(b) The Underwriter shall indemnify and hold harmless the Issuer and the Obligated Group, each of their respective members, trustees, officers and employees, and each person who controls the Issuer or the Obligated Group within the meaning of Section 15 of the 1933 Act, to the same extent as the foregoing indemnity from the Obligated Group to the Underwriter, but only with reference to written information relating to the Underwriter furnished by it specifically for inclusion in the Official Statement. This indemnity agreement will be in addition to any liability that the Underwriter may otherwise have. The Obligated Group acknowledges that the statements set forth under the heading "UNDERWRITING", in the Official Statement constitute the only information furnished in writing by or on behalf of the Underwriter for inclusion in the Official Statement. The Underwriter shall also reimburse the Issuer for any legal or other expenses incurred by the Issuer in connection with investigating any claim against it and defending any action alleging noncompliance with Blue Sky laws with respect to the Bonds.

(c) Promptly after receipt by any party entitled to indemnification under this paragraph of notice of the commencement of any suit, action, or proceeding, such indemnified party shall, if a claim in respect thereof is to be made against the Obligated Group or the Underwriter under this paragraph, notify the Obligated Group or the Underwriter, in writing, as the case may be, of the commencement thereof, but the omission so to notify the Obligated Group or Underwriter shall not relieve such party from any liability which it may have to any indemnified party otherwise than under this paragraph or from any liability under this paragraph unless the failure to provide notice prejudices the defense of such suit, action, or proceeding. In case any such action is brought against any indemnified party, and it notifies the indemnifying party of the commencement thereof, the indemnifying party shall be entitled, but not obligated, to participate therein, and to the extent that it may elect by written notice delivered to the indemnified party, promptly after receiving the aforesaid notice from such indemnified party, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party, and the indemnified party shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party, the indemnified party or parties shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on behalf of such indemnified party or parties at the sole cost and expense at the indemnifying party. Upon such indemnified party's receipt of notice from the indemnifying party of the indemnifying party's election to so assume the defense of such action and approval by the indemnified party of counsel, which approval shall not be unreasonably withheld, the indemnifying party shall not be liable to such indemnified party under this paragraph for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof unless (i) the indemnified party shall have employed separate counsel in connection with the assertion of legal defenses in accordance with the proviso to the next preceding sentence (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel representing each indemnified party under this paragraph who is a party to such action), (ii) the indemnifying party shall not have employed counsel reasonably satisfactory to the indemnified party to represent the indemnified party within a reasonable time after the indemnifying party's receipt of notice of commencement of the action, or (iii) the indemnifying party has authorized the employment of counsel for the indemnified party at the expense of the indemnifying party pursuant to the provisions hereof; and except that, if clause (i) or (iii) is applicable, such liability shall be only in respect of the counsel referred to in such clause (i) or (iii).

(d) An indemnifying party shall not be liable for any settlement of any such action effected without its consent, which consent shall not be unreasonably withheld but if settled with the consent of the indemnifying party, the indemnifying party agrees to indemnify and hold the indemnified party or

parties, including an officer, employee, agent, member or director, or other controlling person of an indemnified party harmless from and against any loss or liability, including reasonable legal and other expenses incurred in connection with the defense of the action, by reason of such settlement to the extent of the indemnification provided for in this paragraph.

(e) In the event and to the extent that any indemnified party is entitled to indemnification from an indemnifying party under the terms of paragraph (a) or paragraph (b) above in respect of any of the losses, claims, damages, liabilities, costs, or expenses referred to therein, but such indemnification is unavailable to such indemnified party in respect of any such losses, claims, damages, liabilities, costs, or expenses due to such indemnification being impermissible under applicable law or otherwise, then the indemnifying party shall, in lieu of indemnifying such indemnified party, contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages, liabilities, costs, or expenses in such proportion as is appropriate to reflect the relative benefits received by the indemnifying party and such indemnified party, respectively, from the offering of the Bonds, the relative fault of the indemnifying party and such indemnified party, respectively, in connection with the statements or omissions which resulted in such losses, claims, damages, liabilities, costs, or expenses, as well as any other relevant equitable considerations. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact related to information supplied by the indemnified party or the indemnified party and the relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission of the indemnified party or the indemnified party. The Obligated Group and Underwriter, respectively, agree that it would not be just and equitable if contribution pursuant to this paragraph (e) were determined by pro rata allocation or by any other method of allocation which does not take into account the equitable considerations referred to above in this paragraph (e). The amount paid or payable by any indemnified party as a result of the losses, claims, damages, liabilities, costs, or expenses referred to above in this paragraph (e) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with defending any such action or claim. This paragraph (e) shall not apply in the event of losses, claims, damages, liabilities, costs, or expenses caused by or attributable to the willful misconduct or gross negligence of an indemnified party. Notwithstanding, anything to the contrary contained in this paragraph (e), it is understood and agreed that this paragraph (e) is not intended, and shall not be construed, to expand, broaden, or increase in any way, whether in terms of scope, amount, or otherwise, the liability of the Obligated Group or the Underwriter in respect of any of the losses, claims, damages, liabilities, costs, or expenses referred to in paragraph (a) or paragraph (b) or otherwise, as that liability is set forth in paragraph (a) or paragraph (b) above.

(f) The indemnity and contribution obligations provided by this Section 7 shall survive the termination, cancellation or performance of this Agreement.

SECTION 8. UNDERWRITING FEE AND COSTS.

(a) In consideration of the Underwriter's execution of this Bond Purchase Agreement, and for the performance of the Underwriter's obligations hereunder, the Obligated Group agrees to pay or cause to be paid to the Underwriter a total underwriting fee, including payment or reimbursement of all expenses, in an amount equal to \$_____, which shall be due and payable at the Closing. The Underwriter is authorized to deduct its underwriting fees from the proceeds of the Bonds as the Underwriter's discount.

(b) At the closing, the Underwriter shall be under no obligation to pay any expenses incident to the performance of the Issuer's or the Obligated Group's obligations hereunder. All costs incurred in connection with the issuance of the Bonds and all expenses and costs to effect the authorization, preparation, issuance, delivery, and sale of the Bonds (including, without limitation, attorneys' fees and

expenses, including Issuer's counsel, bond counsel, Underwriter's counsel, Obligated Group's counsel, accountants' fees and expenses, financial advisory fees and expenses, trustee's fees, trustee's counsel, and the expenses and costs for the preparation, printing, photocopying, execution, and delivery of the Bonds, the Obligated Group Documents, and all other agreements and documents contemplated hereby) shall be paid by the Obligated Group. If the Bonds are not sold by the Issuer to the Underwriter, and whether or not there is a closing, the Obligated Group shall pay all such expenses and costs of the Issuer, and the Issuer shall not be liable for any expenses or costs.

SECTION 9. CONDITIONS TO THE UNDERWRITER'S OBLIGATIONS.

The Underwriter's obligations hereunder shall be subject to the due performance in all material respects by the Obligated Group and the Issuer of their obligations and agreements to be performed hereunder at or prior to the Closing and to the accuracy of and compliance with in all material respects their representations and warranties contained herein, as of the date hereof and as of the Closing, and are also subject to receipt of the following evidence and documents and satisfaction of the following conditions, as appropriate, at or prior to the Closing:

(a) The Bonds, the Issuer Documents and the Obligated Group Documents shall have been duly authorized, executed, and delivered by the respective parties thereto in the forms heretofore approved by the Underwriter with only such changes therein as shall be mutually agreed upon by the parties thereto and the Underwriter, and shall be in full force and effect on the date of the Closing.

(b) At or before the Closing, the Underwriter shall receive:

(1) Copies of the original counterparts of this Bond Purchase Agreement, the Issuer Documents and the Obligated Group Documents.

(2) The following opinions, dated the date of the Closing, substantially in the forms attached to this Bond Purchase Agreement as the following Exhibits:

(i) bond counsel opinion of Bryant Miller Olive P.A., Bond Counsel, attached as Exhibit E to the Official Statement;

(ii) supplemental opinion of Bryant Miller Olive P.A., Bond Counsel, in form and substance satisfactory to the Underwriter;

(iii) an opinion of Geoffrey B. Dobson, Esquire, St. Augustine, Florida, counsel to the Issuer, in the form and substance satisfactory to the Underwriter and Bond Counsel;

(iv) an opinion of Purcell, Flanagan, Hay & Greene, P.A., counsel to the Obligated Group, in form and substance satisfactory to the Underwriter; and

(v) an opinion of Butler Snow LLP, Underwriter's Counsel, in form and substance satisfactory to the Underwriter.

(3) A closing certificate of the Issuer, satisfactory in form and substance to the Underwriter, executed, on behalf of the Issuer, by the Chairman, or Vice Chairman of the Issuer, or of any other of the Issuer's duly authorized officers satisfactory to the Underwriter, dated as of the date of the Closing, to the effect that: (i) the Issuer has duly performed or complied with all of its obligations and conditions to be performed and satisfied hereunder at or prior to the Closing

and that each of its representations and warranties contained herein is true and correct in all material respects as of the Closing, (ii) the Issuer has authorized, by all necessary action, the execution, delivery, receipt, and due performance of the Bonds and the Issuer Documents, (iii) no litigation is pending, or, to his knowledge, threatened against the Issuer, to restrain or enjoin the issuance or sale of the Bonds or in any way affecting any authority for or the validity of the Bonds or the Issuer Documents, the Issuer's existence or powers or its right to use the proceeds of the Bonds, (iv) the information contained under the headings "SHORT STATEMENT – The Issuer," "THE ISSUER" and "LITIGATION – The Issuer" (with respect to the Issuer) in the Official Statement does not as of the date thereof and as of the date of closing contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein pertaining to the Issuer, in light of the circumstances under which they were made, not misleading, and (v) the execution, delivery, receipt, and due performance of the Bonds and the Issuer Documents under the circumstances contemplated hereby and thereby and the Issuer's compliance with the provisions thereof will not conflict with or constitute on the Issuer's part a breach of or a default under any existing law or court or administrative regulation, decree, or order or any agreement, indenture, lease, or other instrument to which the Issuer is subject or by which the Issuer is bound.

(4) A closing certificate of the Obligated Group, satisfactory in form and substance to the Underwriter and Bond Counsel, executed by an authorized representative of the Obligated Group, dated as of the date of the Closing, to the effect that: (i) since the date hereof there has not been any material adverse change in the business, properties, financial position, or results of operations of the Obligated Group, whether or not arising from transactions in the ordinary course of business, other than as previously disclosed in writing to the Underwriter, and except in the ordinary course of business, neither the Obligated Group has suffered or incurred any material liability, other than as previously disclosed in writing to the Underwriter, (ii) there is no action, suit, proceeding, or, to the best of the officer's knowledge, any inquiry or investigation at law or in equity or before or by any public board or body pending or, to his knowledge, threatened against or affecting the Obligated Group or any affiliate or its property or, to his knowledge after making due inquiry with respect thereto, any basis therefore, wherein an unfavorable decision, ruling, or finding would adversely affect the transactions contemplated hereby or the validity or enforceability of the Bonds, the Bond Indenture, or the Obligated Group Documents which have not been previously disclosed in writing to the Underwriter and which is not disclosed in the Official Statement, (iii) to his knowledge, all information furnished to the Underwriter with for use in connection with the marketing of the Bonds and the information contained in the Official Statement and all of the information contained in the Official Statement was, as of the respective dates thereof and are as of the date hereof true in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading, (iv) the Obligated Group has duly authorized, by all necessary action, the execution, delivery, receipt, and due performance of the Obligated Group Documents, (v) the Obligated Group has duly performed or complied with all of its obligations and conditions to be performed and satisfied hereunder at or prior to the Closing, and (vi) the representations contained herein have not been amended, modified, or rescinded and are in full force and effect, and the information and representations and warranties contained herein are true and correct, as of the Closing.

(5) The issuance and delivery of the Series 2021B Bond.

(6) A rating of the Bonds of "_____" from Fitch Ratings, Inc.

(7) Such additional certificates and other documents, agreements, and opinions as the Underwriter and Bond Counsel may reasonably request to evidence performance of or compliance with the provisions hereof and the transactions contemplated hereby, all such certificates and other documents to be satisfactory in form and substance to the Underwriter.

All opinions shall be addressed to the Underwriter or the Underwriter is provided a reliance letter and may also be addressed to such other parties as the giver of such opinion agrees to. All certificates, if addressed to any party, shall also be addressed to the Underwriter.

All such opinions, letters, certificates, and documents shall be in compliance with the provisions hereof only if they are in all material respects satisfactory to the Underwriter and to counsel to the Underwriter, as to which both the Underwriter and their counsel shall act reasonably. If any condition of the Underwriter's obligations hereunder to be satisfied prior to the Closing is not so satisfied, this Bond Purchase Agreement may be terminated by the Underwriter by notice in writing to the Obligated Group and the Issuer. The Underwriter may waive compliance by the Obligated Group or the Issuer of any one or more of such conditions or extend the time for their performance and such waiver shall be evidenced by the Underwriter's payment for the Bonds.

SECTION 10. THE UNDERWRITER'S RIGHT TO CANCEL.

The Underwriter shall have the right to cancel its obligations hereunder by notifying the Issuer and the Obligated Group in writing or by telegram of its election so to do between the date hereof and the Closing, if at any time hereafter and on or prior to the Closing:

(a) A committee of the House of Representatives or the Senate of the Congress of the United States shall have pending before it legislation, or a tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States of America, or legislation shall be favorably reported by such a committee or be introduced, by amendment or otherwise, in, or be passed by, the House of Representatives or the Senate, or recommended to the Congress of the United States of America for passage by the President of the United States of America, or be enacted by the Congress of the United States of America, or an announcement or a proposal for any such legislation shall be made by a member of the House of Representatives or the Senate of the Congress of the United States, or a decision by a court established under Article III of the Constitution of the United States of America or the Tax Court of the United States of America shall be rendered, or a ruling, regulation, or order of the Treasury Department of the United States of America or the Internal Revenue Service shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which results in or proposes the imposition of federal income taxation, upon revenues or other income of the general character to be derived by the Obligated Group, any of its affiliates, state and local governmental units or by any similar body or upon interest received on obligations of the general character of the Bonds which, in the Underwriter's opinion, materially and adversely affects the market price of the Bonds.

(b) Any legislation, ordinance, rule, or regulation shall be introduced in or be enacted by any governmental body, department, or agency of the United States or of any state, or a decision by any court of competent jurisdiction within the United States or any state shall be rendered which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Bonds.

(c) A stop order, ruling, regulation, or Official Statement by, or on behalf of, the Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering, or sale of obligations of the general character of the Bonds, or the issuance, offering, or sale of the Bonds, including all the underlying obligations, as contemplated

hereby or by the Official Statement, is in violation or would be in violation of any provisions of the federal securities laws, including without limitation the registration provisions of the 1933 Act, or the registration provisions of the 1934 Act, or the qualification provisions of the Trust Indenture Act of 1939, as amended and as then in effect (the "1939 Act").

(d) Legislation shall be introduced by amendment or otherwise in, or be enacted by, the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered to the effect that obligations of the general character of the Bonds including all the underlying obligations, are not exempt from registration under or from other requirements of the 1933 Act or the 1934 Act, or that the Bond Indenture is not exempt from qualification under or from other requirements of the 1939 Act, or with the purpose or effect of otherwise prohibiting the issuance, offering, or sale of obligations of the general character of the Bonds, as contemplated hereby or by the Official Statement.

(e) Any event shall have occurred, or information becomes known, which, in the Underwriter's reasonable opinion, makes untrue in any material respect any representation by or certificate of the Issuer, or the Obligated Group hereunder, or any statement or information furnished to the Underwriter by the Issuer or the Obligated Group for use in connection with the marketing of the Bonds or any material statement or information contained in the Official Statement as originally circulated contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; provided, however, that the Issuer and the Obligated Group shall be granted a reasonable amount of time in which to cure any such untrue or misleading statement or information.

(f) Additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange.

(g) The New York Stock Exchange or any other national securities exchange, or any governmental authority, shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or a change to the net capital requirements of, the Underwriter.

(h) A general banking moratorium or suspension or limitation of banking services shall have been established by federal, Florida, Illinois or New York authorities.

(i) Any proceeding shall be pending, or to the knowledge of the Underwriter, threatened, to restrain, enjoin, or otherwise prohibit the issuance, sale, or delivery of the Bonds by the Issuer or the purchase, offering, sale, or distribution of the Bonds by the Underwriter, or for any investigatory or other proceedings under any federal or state securities laws or the rules and regulations of FINRA relating to the issuance, sale, or delivery of the Bonds by the Issuer or the purchase, offering, sale, or distribution of the Bonds by the Underwriter.

(j) A war involving the United States of America shall have been declared, or any conflict involving the armed forces of the United States of America shall have materially escalated, or any other national emergency relating to the effective operation of government or the financial community shall have occurred, which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Bonds.

SECTION 11. CONDITIONS OF THE OBLIGATED GROUP'S AND ISSUER'S OBLIGATIONS.

The Obligated Group's and Issuer's obligations hereunder are subject to the Underwriter's performance of its obligations hereunder. The Underwriter represents that it is duly authorized to execute and deliver this Bond Purchase Agreement and that upon execution and delivery of this Bond Purchase Agreement by the other parties hereto, this Bond Purchase Agreement shall constitute a legal, valid, and binding agreement of the Underwriter enforceable in accordance with its terms, except as limited by applicable bankruptcy, reorganization, insolvency, or other similar laws affecting the enforcement of creditor's rights generally and by general principles of equity affecting remedies. The Obligated Group covenants to use its best efforts to accomplish, or cause to be accomplished, the conditions set forth herein prior to the Closing.

The Issuer's obligations hereunder to sell the Bonds to the Underwriter shall also be subject to the satisfaction of all of the conditions set forth in Section 9 above (unless waived by the Underwriter and such waiver is reasonably acceptable to the Issuer), the performance by the Issuer and the Obligated Group of the obligations and agreements to be performed thereby at or prior to the date of Closing, including those hereunder, and to the accuracy in all material respects of the representations, warranties and covenants of the Issuer and the Obligated Group contained herein and in the Issuer Documents and the Obligated Group Documents as of the date hereof and as of the date of Closing; and shall also be subject to the following conditions, (i) the Issuer shall receive the purchase price for the Bonds to be delivered and sold hereunder and (ii) all certificates, opinion and other documents relating to the transactions contemplated by this Bond Purchase Agreement shall be satisfactory in form and substance to the Issuer, Bond Counsel and the Obligated Group.

SECTION 12. REPRESENTATIONS, WARRANTIES, AND AGREEMENTS TO SURVIVE DELIVERY.

All of the Obligated Group's and Issuer's representations, warranties, and agreements shall remain operative and in full force and effect (unless expressly waived in writing by the Underwriter), regardless of any investigations made by the Underwriter or on its behalf, and shall survive delivery of the Bonds to the Underwriter and the resale by the Underwriter on behalf of the Issuer of the Bonds.

SECTION 13. NOTICE.

All notices and other communications hereunder shall be effective if and only if in writing and delivered personally, transmitted by facsimile which the sender's facsimile machine indicates has been sent (in the case of an addressee whose facsimile number is supplied), sent by Federal Express or similar courier, or mailed by registered or certified mail (return receipt requested), charges or postage prepaid, to the addressee at the address that shall most recently have been designated, by effective notice hereunder from the addressee to the sender, as the addressee's desired address for notices hereunder (or, prior to any such notice, at the address for the addressee set forth below):

(a) if to the Issuer, to:

St. Johns County Industrial Development Authority
c/o Office of the County Administrator
St. Johns County Board of County Commissioners
500 San Sebastian View
St. Augustine, Florida 32084
Attention: Jennifer Zuberer, Economic Development Specialist
Telephone: 904-209-0560

(b) if to the Obligated Group, to:

Life Care Ponte Vedra, Inc.
1000 Vicar's Landing Way
Ponte Vedra Beach, Florida 32082
Attention: Chief Financial Officer
Telephone: (904) 395-0283
Email: drody@retirementredefined.org

(c) if to the Underwriter, to:

B.C. Ziegler and Company
1 North Wacker Drive
Suite 2000
Chicago, Illinois 60610
Attention: Chief Executive Officer

Unless otherwise provided, written notices so delivered, transmitted, sent or mailed shall be effective on the earlier of (x) actual delivery, (y) the date of transmission, if by facsimile on or before 5:00 p.m. of the addressee's local time, or (z) as applicable, either (i) the first business day following the date of deposit with a qualified guaranteed next day courier service or (ii) the third business day following the date postmarked by the United States Post Office. Any refusal to accept delivery of any such communication shall be considered successful delivery thereof.

SECTION 14. APPLICABLE LAW; NONASSIGNABILITY.

This Bond Purchase Agreement shall be governed by the laws of the State of Florida. This Bond Purchase Agreement shall not be assigned by the Issuer, the Obligated Group, or the Underwriter.

SECTION 15. PARTIES IN INTEREST.

This Bond Purchase Agreement shall be binding upon, and has been and is made for the benefit of, the Issuer, the Obligated Group and the Underwriter, and to the extent expressed, any person controlling the Issuer, the Obligated Group or the Underwriter and their respective executors, administrators, successors, and assigns, and no other person shall acquire or have any right or interest under or by virtue hereof. The term "successors and assigns" shall not include any purchaser, as such, of any Bond.

SECTION 16. NON-FIDUCIARY ACKNOWLEDGEMENT.

The Obligated Group acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between the Obligated Group and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an advisor, (including, without limitation, a Municipal Advisor (as such term is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act)), agent or a fiduciary of the Obligated Group, (iii) the Underwriter has not assumed (individually or collectively) a fiduciary responsibility in favor of the Obligated Group with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Obligated Group on other matters) or any other obligation to the Obligated Group except the obligations expressly set forth in this Agreement, (iv) the Underwriter has financial and other interests that differ from those of the Obligated Group and (v) the Obligated Group has consulted

with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

SECTION 17. WAIVER AND RELEASE OF PERSONAL LIABILITY.

No recourse under or upon any obligation, indemnity, covenant or agreement contained in this Bond Purchase Agreement or under any judgment obtained against the Issuer, or by the enforcement of any assessment or by legal or equitable proceedings by virtue of any constitution or statute or otherwise or under any circumstances, under or independent of this Bond Purchase Agreement, shall be had against any trustee, director, member, commissioner, officer, employee or agent, as such, past, present or future, of the Issuer, either directly or through the Issuer, or otherwise, for the payment of any amount of that may become owed by the Issuer hereunder. Any and all personal liability of every nature, whether at common law or in equity, or by statute or constitution or otherwise, if any trustee, director, member, commissioner, officer, employee or agent, as such, to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Issuer or any receiver thereof, to the Underwriter or otherwise, of any amount that may become owed by the Issuer hereunder is hereby expressly waived and released as a condition of and in consideration for the execution of this Bond Purchase Agreement.

SECTION 18. ESTABLISHMENT OF ISSUE PRICE

The Underwriter agrees to assist the Issuer in establishing the issue price of the Series A Bonds and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications in order to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. The Issuer will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). The Underwriter hereby reports the price at which it has sold to the public each maturity of Bonds is _____%.

The Underwriter confirms that any selling group agreement and any retail distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The Issuer and the Obligor each acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a retail distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the retail distribution agreement and the related pricing wires. The Issuer and the Obligor further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

The Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “sale date” means the date of execution of this Bond Purchase Agreement by all parties.

[Signatures and Seal to Follow]

SECTION 18. EXECUTION OF COUNTERPARTS.

This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

Very truly yours,

B.C. ZIEGLER AND COMPANY

By: _____
Name: _____
Title: _____

[Signatures to Bond Purchase Agreement
Continued on Following Page]

Accepted as of the date
first above written:

LIFE CARE PONTE VEDRA, INC.

By: _____
Name: _____
Title: _____

[Signatures to Bond Purchase Agreement
Continued on Following Page]

Accepted as of the date
first above written:

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: _____
Name: _____
Title: Chairman

[SEAL]

[Signature Page to Bond Purchase Agreement]

EXHIBIT A
DESCRIPTION OF THE BONDS

EXHIBIT B
OPTIONAL REDEMPTION DATES AND PRICES

[Add from Bond Indenture]

ATTACHMENT I

UNDERWRITER'S DISCLOSURE LETTER AND TRUTH IN BONDING STATEMENT

_____, 2021

St. Johns County Industrial Development Authority

Life Care Ponte Vedra, Inc.

Re: \$_____ St. Johns County Industrial Development Authority
Senior Living Revenue Bonds (Vicar's Landing Project) Series 2021A (the
"Bonds")

Ladies and Gentlemen:

Pursuant to Chapter 218.385, Florida Statutes, and in reference to the issuance of the Bonds as set forth above, B.C. Ziegler and Company (the "Underwriter") makes the following disclosures to the St. Johns County Industrial Development Authority (the "Issuer") and Life Care Ponte Vedra, Inc. (the "Obligor" or the "Obligated Group") All capitalized terms not otherwise defined herein shall have the respective meanings specified in the Bond Purchase Agreement dated the date hereof among the Underwriter, the Issuer and the Obligated Group (the "Bond Purchase Agreement").

The Underwriter is acting as underwriter to the Obligated Group for the offering or sale of the Bonds. The underwriting fees to be paid to the Underwriter in the Bond Purchase Agreement are equal to _____% of the total face amount of the Bonds.

(a) The expenses estimated to be incurred by the Underwriter in connection with the issuance of the Bonds are itemized on Schedule A hereto.

(b) Names, addresses and estimated amounts of compensation of any person who is not regularly employed by, or not a partner or officer of, the Underwriter and who enters into an understanding with either the Issuer or the Underwriter, or both, for any paid or promised compensation or valuable consideration directly, expressly or impliedly, to act solely as an intermediary between the Issuer and the Underwriter for the purpose of influencing any transaction in the purchase of the Bonds:

None

(c) The amount of underwriting spread expected to be realized is \$_____ per \$1,000 (\$_____) of Bonds and consists of the following components including the management fee indicated:

Management Fee	\$_____ per \$1,000 (\$_____)
Average Takedown	\$_____ per \$1,000 (\$_____)
Expenses	\$_____ per \$1,000 (\$_____)

(d) No fee, bonus or other compensation is estimated to be paid by the Underwriter in connection with the issuance of the Bonds, to any persons not regularly employed or retained by the Underwriter, (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes, as amended), except as specifically enumerated as expenses to be incurred and paid by the Underwriter, as set forth in Schedule A attached hereto.

(e) The names and addresses of each Underwriter connected with the Bonds are:

B.C. Ziegler and Company
1 North Wacker Drive
Suite 2000
Chicago, Illinois 60610
Attention: Chief Executive Officer

(f) *Truth in Bonding Statement.* The Obligated Group will use the proceeds of the Bonds, together with certain other moneys, in order to (i) currently refund the Issuer's Health Care Revenue Bonds (Vicar's Landing Project), Series 2014A & B (the "Series 2014 Bonds"), and (b) the Issuer's Health Care Revenue and Revenue Refunding Bonds (Vicar's Landing Project), Series 2016 (the "Series 2016 Bonds" and collectively with the Series 2014 Bonds, the "Refunded Bonds") (ii) finance or refinance, including through reimbursement, part of the costs of certain expenses and capital improvements, the acquisition of land and the acquisition, construction, improvement and equipping capital improvements to and expansions of the Facilities (as defined in the Loan Agreement), including construction of 109 independent living units and related common areas or an approximate 40-acre parcel of land in St Johns County, Florida (the "Project"), (iii) funding a debt service reserve for the Series 2021A Bonds, (iv) funding certain capitalized interest on the Bonds and (v) paying all or a portion of the cost of issuing the Series 2021A Bonds.

This debt or obligation is expected to be repaid over a period of approximately _____ years. Total interest paid over the life of the debt or obligation, assuming an all in interest rate of _____ % per annum, will be approximately \$ _____.

The source of repayment and security for this proposal to issue the Bonds is exclusively limited to certain revenues derived from the Obligated Group pursuant to the Loan Agreement. Because (a) such revenues may not be used by the Issuer for any purpose other than the purposes set forth in the Bond Indenture, (b) the Issuer has no taxing power and the taxing power of the St. Johns County, Florida and the State of Florida is not pledged or involved in the Bonds, (c) the Bonds and the interest thereon do not constitute a debt of the Issuer within the meaning of any constitutional or statutory provision, and (d) the faith and credit of the Issuer are not pledged to the payment of the principal of or the interest on the Bonds, authorizing this debt or obligation will not result in any moneys not being available to the Issuer to finance other transactions each year for the 30 year term of the Bonds.

We understand that the Issuer does not require any further disclosure from the Underwriter, pursuant to Section 218.385, Florida Statutes.

Very truly yours,

B.C. ZIEGLER AND COMPANY

By: _____
Name: Robert Gall
Title: Director

[Signature Page of Underwriter's Disclosure Letter and Truth in Bonding Statement]

SCHEDULE A

**St. Johns County Industrial Development Authority
Senior Living Revenue Bonds
(Vicar's Landing Project)
Series 2021**

Combined Estimated Expenses Component of Underwriting Spread

CUSIP, MSRB, DTC, Operational expenses	\$
Teleconference, Courier, etc.	
TOTAL	\$

EXHIBIT "D"

Form of Preliminary Official Statement

NEW ISSUE
(Book-Entry Only)RATING
Fitch: _____
See "RATING" herein.

In the opinion of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel, assuming continuing compliance by the Issuer and the Obligor with certain covenants, under existing statutes, regulations and judicial decisions, the interest on the Series 2021A Bonds is excluded from gross income for federal income tax purposes of the holders thereof and is not an item of tax preference for purposes of the federal alternative minimum tax. See "TAX EXEMPTION" herein for a description of certain other tax consequences to holders of the Series 2021A Bonds.

[LOGO]

\$ _____ *

**ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
SENIOR LIVING REVENUE BONDS
(VICAR'S LANDING PROJECT), SERIES 2021A**

Dated: Date of Delivery

Due: As shown on the inside cover

The St. Johns County Industrial Development Authority (the "Issuer") is issuing its Senior Living Revenue Bonds (Vicar's Landing Project), Series 2021A (the "Series 2021A Bonds"), pursuant to Chapter 69-1510, Laws of Florida, as amended, Parts II and III of Chapter 159, Florida Statutes, as amended, and other applicable provisions of law, in conformity with the provisions, restrictions and limitations thereof. Additionally, the Series 2021A Bonds are being issued pursuant to the Indenture of Trust (the "Bond Indenture") described herein, between the Issuer and U.S. Bank National Association, as bond trustee (the "Bond Trustee").

The proceeds of the Series 2021A Bonds will be loaned to Life Care Ponte Vedra, Inc., d/b/a Vicar's Landing, a Florida not-for-profit corporation (the "Obligor" or the "Obligated Group Representative"), pursuant to a Loan Agreement, to be dated as of _____, 2021 (the "Loan Agreement"), between the Issuer and the Obligor. The Obligor owns and operates an existing continuing care retirement community known as "Vicar's Landing," located in Ponte Vedra Beach, St. Johns County, Florida (the "Existing Community"). The Existing Community includes 227 independent living units, 38 assisted living units, 60 skilled nursing beds and related administrative and common areas.

The Obligor will use the proceeds of the Series 2021A Bonds, together with certain other monies, including proceeds of the Series 2021B Bond (as defined herein), to (1) to provide funds to currently refund all of the Issuer's Health Care Revenue Bonds (Vicar's Landing Project) Series 2014A&B and the Issuer's Health Care Revenue and Revenue Refunding Bonds (Vicar's Landing Project) Series 2016 (collectively, the "Refunded Bonds"), (2) to finance a portion of the costs of the design, acquisition, construction, improvement and equipping of land and capital improvements to and expansion of the Borrower's health care facilities, including construction of approximately 109 independent living units and related common areas on an approximately 40-acre parcel of land located in the County (the "2021 Expansion Project"), (3) to fund capitalized interest, (4) to fund a debt service reserve for the Series 2021A Bonds, and (5) to pay for the costs of issuance of the Series 2021A Bonds.

Interest on the Series 2021A Bonds is payable semiannually on [June 15] and [December 15] of each year, commencing on [December 15, 2021]. All Series 2021A Bonds bear interest from their date of issuance.

Except as described in this Official Statement, the Series 2021A Bonds and the interest payable thereon are limited obligations of the Issuer and are payable solely from and secured exclusively by the funds pledged thereto under the Bond Indenture, the payments to be made by the Obligor, on behalf of the members of the Obligated Group (as hereinafter defined), pursuant to the Loan Agreement, and the Series 2021A Note (as defined herein) issued by the Obligor under a Master Trust Indenture, to be dated as of _____, 2021, as supplemented, and particularly as supplemented by Supplemental Indenture Number 1, to be dated as of _____, 2021 (collectively, the "Master Indenture"), between U.S. Bank National Association, as master trustee, and the Obligated Group Representative, on behalf of itself and Vicar's Landing Foundation, Inc. (collectively together with any future members, the "Obligated Group").

The sources of payment of, and security for, the Series 2021A Bonds are more fully described in this Official Statement.

The Series 2021A Bonds are subject to acceleration of maturity and optional, mandatory and extraordinary optional redemption, in whole or in part, prior to maturity at the prices and under the circumstances described herein.

The Series 2021A Bonds when issued will be registered only in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2021A Bonds. Purchasers of the Series 2021A Bonds will not receive certificates representing their interest in the Series 2021A Bonds purchased. Ownership by the beneficial owners of the Series 2021A Bonds will be evidenced by book-entry only. Principal of and interest on the Series 2021A Bonds will be paid by the Bond Trustee to DTC, which in turn will remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Series 2021A Bonds. As long as Cede & Co. is the registered owner as nominee of DTC, payments on the Series 2021A Bonds will be made to such registered owner, and disbursement of such payments will be the responsibility of DTC and its participants. See APPENDIX F - BOOK-ENTRY ONLY SYSTEM.

An investment in the Series 2021A Bonds involves a certain degree of risk related to, among other things, the nature of the Obligor's business, the regulatory environment, and the provisions of the principal documents. A prospective Bondholder is advised to read "SECURITY FOR THE SERIES 2021A BONDS" and "RISK FACTORS" herein for a discussion of certain risk factors that should be considered in connection with an investment in the Series 2021A Bonds.

NEITHER THE STATE OF FLORIDA NOR ST. JOHNS COUNTY, FLORIDA SHALL IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON ANY OF THE SERIES 2021A BONDS ISSUED HEREUNDER. THE SERIES 2021A BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE REVENUES, RECEIPTS AND RESOURCES OF THE ISSUER PLEDGED TO THEIR PAYMENT AND NOT FROM ANY OTHER REVENUES, FUNDS OR ASSETS OF THE ISSUER. NONE OF THE SERIES 2021A BONDS SHALL BE CONSTRUED OR CONSTITUTE AN INDEBTEDNESS OF THE ISSUER OR AN INDEBTEDNESS OR OBLIGATION (SPECIAL, MORAL OR GENERAL) OF THE STATE OF FLORIDA OR ST. JOHNS COUNTY, FLORIDA WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER. THE ISSUER HAS NO TAXING POWER.

The Series 2021A Bonds are being offered, subject to prior sale and withdrawal of such offer without notice, when, as and if issued by the Issuer and accepted by the Underwriter subject to the approving opinion of Bryant Miller Olive P.A., Orlando, Florida, as Bond Counsel. Certain legal matters will be passed upon for the Issuer by its counsel, Geoffrey B. Dobson, Esquire, St. Augustine, Florida; for the Obligor by its counsel, Purcell, Flanagan, Hay & Greene, P.A., Jacksonville, Florida; and for the Underwriter by its counsel, Butler Snow LLP, Atlanta, Georgia. The Series 2021A Bonds are expected to be delivered to the Bond Trustee on behalf of DTC under the DTC FAST system of registration on or about _____, 2021.

[ZIEGLER LOGO]

The date of this Official Statement is _____, 2021.

*Preliminary; subject to change.

This Preliminary Official Statement and certain of the information contained herein is in a form deemed final for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (except for the omission of certain information permitted to be omitted under Rule 15c2-12(b)(1)). The information herein is subject to revision, completion or amendment in a final Official Statement. The Series 2021A Bonds may not be sold, nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

\$ _____ *

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY (FLORIDA)
SENIOR LIVING REVENUE BONDS
(VICAR'S LANDING PROJECT), SERIES 2021A

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS, AND CUSIPS

\$ _____ * _____ % Term Bonds due January 1, 20__*, to Yield _____ %, CUSIP† _____

\$ _____ * _____ % Term Bonds due January 1, 20__*, to Yield _____ %, CUSIP† _____

\$ _____ * _____ % Term Bonds due January 1, 20__*, to Yield _____ %, CUSIP† _____

\$ _____ * _____ % Term Bonds due January 1, 20__*, to Yield _____ %, CUSIP† _____

* Preliminary; subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Issuer, the Obligor, or the Underwriter and are included solely for the convenience of the holders of the Series 2021A Bonds. None of the Issuer, the Obligor, or the Underwriter is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Series 2021A Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2021A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of the Series 2021A Bonds.

[Facility photos to be inserted]

REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, salesman, or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such information or representations must not be relied upon as having been authorized by the Obligor, the Issuer, or the Underwriter. The information set forth herein concerning the Obligor has been furnished by the Obligor and is believed to be reliable but is not guaranteed as to accuracy or completeness by and is not to be construed as a representation by, the Issuer or the Underwriter. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby in any state to any person to whom it is unlawful to make such offer in such state; Except where otherwise indicated, this Official Statement speaks as of the date hereof. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale hereunder will under any circumstances create any implication that there has been no change in the affairs of the Obligor since the date hereof.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The information contained in this Official Statement has been furnished by the Obligor, the Issuer, DTC, and other sources that are believed to be reliable, but such information is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation of, the Underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the parties referred to above since the date hereof.

U.S. Bank National Association, in each of its capacities, including, but not limited to, Bond Trustee, Master Trustee, bond registrar, and paying agent, has not participated in the preparation of this Official Statement and assumes no responsibility for its content.

THE SERIES 2021A BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE BOND INDENTURE AND THE MASTER INDENTURE HAVE NOT BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE SERIES 2021A BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF LAWS OF THE STATES IN WHICH BONDS HAVE BEEN REGISTERED OR QUALIFIED, IF ANY, AND THE EXEMPTION FROM REGISTRATION IN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NO STATES OR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SERIES 2021A BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2021A BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME WITHOUT NOTICE.

**CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS
IN THIS OFFICIAL STATEMENT**

Certain statements included or incorporated by reference in this Official Statement constitute “forward looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget” or other similar words. Such forward looking statements include, but are not limited to, certain statements contained in the information in APPENDIX A to this Official Statement and in the Financial Feasibility Study set forth in APPENDIX C to this Official Statement.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES, AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE, OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE, OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD LOOKING STATEMENTS. THE OBLIGOR DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS, OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS IN EITHER BOUND OR PRINTED FORMAT (“ORIGINAL BOUND FORMAT”), OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITE: WWW.MUNIOS.COM. THIS OFFICIAL STATEMENT MAY BE RELIED ON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT, OR IF IT IS PRINTED OR SAVED IN FULL DIRECTLY FROM THE AFOREMENTIONED WEBSITE OR WWW.EMMA.MSRB.ORG.

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APPENDIX A - Certain Information about the Obligated Group

APPENDIX B - Audited Financial Statements of the Obligor for Fiscal Years Ended December 31, 2018 and 2017

APPENDIX C - Financial Feasibility Study

APPENDIX D - Forms of Principal Financing Documents

 D-1 - Bond Indenture

 D-2 - Loan Agreement

 D-3 - Master Indenture

 D-4 - Supplemental Indenture Number 1

 D-5 - Mortgage

APPENDIX E - Proposed Form of Bond Counsel Opinion

APPENDIX F - Book-Entry Only System

APPENDIX G - Form of Continuing Disclosure Certificate

OFFICIAL STATEMENT

relating to the

\$ _____ *

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY Senior Living Revenue Bonds (Vicar's Landing Project), Series 2021A

INTRODUCTION

This Introduction is not a summary of this Official Statement and is intended only for quick reference. It is only a brief description of and guide to, and is qualified in its entirety by reference to, more complete and detailed information contained in the entire Official Statement, including the cover page and the Appendices, and the documents summarized or described herein. Investors should read the entire Official Statement. The offering of the Series 2021A Bonds to potential investors is made only by means of the entire Official Statement, including the Appendices hereto. No person is authorized to detach this Introduction from the Official Statement or otherwise to use it without the entire Official Statement.

The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed to be a determination of relevance, materiality or relative importance, and this Official Statement, including the cover page and Appendices, must be considered in its entirety. This Official Statement speaks only as of its date, and the information contained herein is subject to change. All capitalized terms used in this Official Statement and not otherwise defined herein have the same meaning as in the hereinafter defined Bond Indenture, Loan Agreement, Master Indenture, Supplemental Indenture Number 1, and Mortgage as included in "FORMS OF PRINCIPAL FINANCING DOCUMENTS" in APPENDIX D hereto. To the extent there are conflicts in defined terms used in this Official Statement, the definitions in the Bond Indenture, Loan Agreement, Master Indenture, Supplemental Indenture Number 1, and Mortgage shall control. The descriptions and summaries of various documents hereinafter set forth do not purport to be comprehensive or definitive, and reference is made to each document for the complete details of its terms and conditions. All statements herein are qualified in their entirety by reference to each document. The offering of the Series 2021A Bonds to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this Introduction from this Official Statement or otherwise to use it without this entire Official Statement.

An investment in the Series 2021A Bonds involves risk. Prospective investors are advised to read this entire Official Statement, including the Appendices hereto. Special reference is made to "SECURITY FOR THE SERIES 2021A BONDS" and "RISK FACTORS" for a discussion of certain risk factors that should be considered in connection with an investment in the Series 2021A Bonds.

Purpose of this Official Statement

The St. Johns County Industrial Development Authority (the "Issuer") proposes to issue its Senior Living Revenue Bonds (Vicar's Landing Project), Series 2021A (the "Series 2021A Bonds"), pursuant to an Indenture of Trust, to be dated as of _____ 1, 2021 (the "Bond Indenture"), between the Issuer and U.S. Bank National Association, as bond trustee (the "Bond Trustee").

The proceeds of the Series 2021A Bonds will be loaned to Life Care Ponte Vedra, Inc., d/b/a Vicar's Landing, a Florida not-for-profit corporation (the "Obligor" or the "Obligated Group Representative"), pursuant to a Loan Agreement, to be dated as of _____ 1, 2021 (the "Loan Agreement"), between the Issuer and the Obligor and will be used, together with other available moneys, including proceeds of the Series 2021B Bond (as hereinafter defined), to (1) to provide funds to currently refund all of the Issuer's Health Care Revenue Bonds (Vicar's Landing

* Throughout this Preliminary Official Statement, the asterisk indicates information that is preliminary and subject to change.

Project) Series 2014A&B and the Issuer's Health Care Revenue and Revenue Refunding Bonds (Vicar's Landing Project) Series 2016 (collectively, the "Refunded Bonds"), (2) to finance a portion of the costs of the design, acquisition, construction, improvement and equipping of land and capital improvements to and expansion of the Borrower's health care facilities, including construction of approximately 109 independent living units and related common areas on an approximately 40-acre parcel of land located in the County (the "2021 Expansion Project"), (3) to fund capitalized interest, (4) to fund a debt service reserve for the Series 2021A Bonds, and (5) to pay for the costs of issuance of the Series 2021A Bonds. See "2021 Expansion Project" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The Series 2021A Bonds and the interest thereon are limited obligations of the Issuer, payable solely from and secured exclusively by certain payments to be made by the Obligor under the Loan Agreement, the hereinafter described Series 2021A Note and certain other funds held by the Bond Trustee under the Bond Indenture and not from any other fund or source of the Issuer as described herein.

Series 2021B Bond and Line of Credit

Simultaneously with the issuance of the Series 2021A Bonds, the Issuer will issue its not to exceed \$_____ Senior Living Revenue Bond (Vicar's Landing Project), Series 2021B (the "Series 2021B Bond"), will sell the Series 2021B Bond to BBVA Mortgage Corporation (the "Lender"), and will loan the proceeds of the Series 2021B Bond to the Obligor, all pursuant to the Act and a Financing Agreement, to be dated as of _____ 1, 2021 (the "Series 2021B Financing Agreement"), among the Issuer, Life Care Ponte Vedra, Inc. ("LCPV" or the "Obligated Group Representative"), and the Bank.

The Series 2021B Bond is payable from and secured by the hereinafter described Series 2021B Note to be issued under the Master Indenture. [The Bank will not have the option to tender the Series 2021B Bond for mandatory purchase by the Obligor prior to the maturity date of the Series 2021B Bond.] **The Series 2021B Bond is not being offered pursuant to this Official Statement.**

In addition, the Obligor and the Bank have previously entered into the Credit Agreement dated as of July 23, 2020, as supplemented and amended by the _____ dated as of _____, 2021 (collectively, the "Credit Agreement"), pursuant to which [describe Line of Credit] (the "Line of Credit") for the purpose of financing a portion of the cost of the 2021 Expansion Project. The Line of Credit is payable from and secured by the hereinafter described Line of Credit Note to be issued under the Master Indenture.

For additional information regarding the Series 2021B Bond and the Line of Credit, including associated risks, see "PLAN OF FINANCE - Series 2021B Bond and Line of Credit" and "RISK FACTORS - Risks Associated with Series 2021B Bond and Line of Credit" herein.

The Obligated Group, the Existing Community and the Expansion Project

Life Care Ponte Vedra, Inc., d/b/a Vicar's Landing (the "Obligor" and "Obligated Group Representative"), is a Florida not-for-profit corporation operated exclusively for charitable purposes as set forth in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The Obligor is exempt from federal income taxation under Section 501(a) of the Code by virtue of being a charitable organization described in Section 501(c)(3) of the Code. The Obligor was incorporated on August 4, 1983 (under the name Life Care Pastoral Services, Inc. ("LCPS")), for the purpose of developing and operating the continuing care retirement community ("CCRC") located in Ponte Vedra Beach, St. Johns County, Florida, known as Vicar's Landing (the "Existing Community"). In October 1997, the Obligor's name changed to Life Care Ponte Vedra, Inc. [and became a subsidiary to LCPS, its sole member.]

LCPS is a Florida not-for-profit and was incorporated in [1983]. The Obligor is the sole member of: (i) Vicar's Landing Foundation, Inc. (the "Foundation"). The Obligor and the Foundation will each be the initial Members of the Obligated Group (each a "Member" and collectively the "Obligated Group") under the Master Indenture (as hereinafter defined), and the Obligor will be the Obligated Group Representative under the Master Indenture.

The Existing Community includes (i) 227 independent living units (the "Existing Independent Living Units"), (ii) 38 assisted living apartments (the "Existing Assisted Living Units") in the Stratford building, (iii) 60 skilled nursing beds (the "Existing Skilled Nursing Beds") in the Windsor Health Center (the "Windsor Health Center") and (iv) administrative and common areas.

The Obligor plans to develop, own, and operate an expansion to the Existing Community to be known as Vicar's Landing at Oak Bridge (the "Expansion Project" and together with the Existing Community, the "Community"). The Expansion Project will offer independent living and assisted living services, to include memory care, on a site less than one mile from the Existing Community. The Obligor will use the proceeds of the Series 2021 Bonds, together with other available moneys, including proceeds of the Series 2021B Bond and the Line of Credit, for development costs of the first phase of the Expansion Project (the "2021 Expansion Project").

For more information regarding the Obligor, the Existing Community and the Expansion Project, see "THE OBLIGATED GROUP" and "THE COMMUNITY" herein and APPENDIX A hereto.

Description of the Series 2021A Bonds

Redemption. The Series 2021A Bonds are subject to optional, mandatory and extraordinary optional redemption, in whole or in part, prior to maturity at the prices and under the circumstances described herein. See "THE SERIES 2021A BONDS - Redemption Provisions Related to Series 2021A Bonds" herein.

Denominations. The Series 2021A Bonds are issuable in denominations of \$5,000 of any integral multiple of \$5,000 in excess thereof.

Book-Entry Bonds. Each of the Series 2021A Bonds will be issued as fully registered bonds in the denomination of one bond per aggregate principal amount of the stated maturity thereof, and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York, an automated depository for securities and clearing house for securities transactions, which will act as securities depository for the Series 2021A Bonds. Purchasers will not receive certificates representing their ownership interest in the Series 2021A Bonds purchased. Purchases of beneficial interests in the Series 2021A Bonds will be made in book-entry only form (without certificates), in authorized denominations, and, under certain circumstances as more fully described in this Official Statement, such beneficial interests are exchangeable for one or more fully registered bonds of like principal amount and maturity in authorized denominations. See "THE SERIES 2021A BONDS - Book-Entry Only System" herein and "BOOK-ENTRY ONLY SYSTEM" in APPENDIX F hereto.

Payments. So long as DTC or its nominee, Cede & Co., is the registered owner of the Series 2021A Bonds, payments of the principal of, premium, if any, and interest on the Series 2021A Bonds will be made directly to Cede & Co., which will remit such payments to the DTC participants, which will in turn remit such payments to the beneficial owners of the Series 2021A Bonds.

See also "THE SERIES 2021A BONDS" herein.

Security and Sources of Payment for the Series 2021A Bonds

General. The Series 2021A Bonds will be issued under and will be equally and ratably secured under the Bond Indenture, pursuant to which the Issuer will assign and pledge to the Bond Trustee, (1) the hereinafter described Series 2021A Note relating to the Series 2021A Bonds; (2) certain rights of the Issuer under the hereinafter described Loan Agreement; (3) the funds and accounts (excluding the Rebate Fund), including the money and investments on deposit in them, that the Bond Trustee holds under the terms of the Bond Indenture; and (4) such other property as may from time to time be pledged to the Bond Trustee as additional security for the Series 2021A Bonds or that may come into possession of the Bond Trustee pursuant to the terms of the Loan Agreement or the Series 2021A Note. See "SECURITY FOR THE SERIES 2021A BONDS - General" herein and APPENDIX D-1 - "Bond Indenture" hereto.

Loan Agreement. Pursuant to the Loan Agreement, the Obligor has agreed to make loan payments sufficient, among other things, to pay in full when due all principal of, premium, if any, and interest on the Series 2021A Bonds, the reasonable and necessary administrative fees of the Bond Trustee, and the fees and expenses incurred by the Issuer. See "SECURITY FOR THE SERIES 2021A BONDS - Loan Agreement" herein and APPENDIX D-2 - "Loan Agreement" hereto.

Master Indenture. The obligation of the Obligor to repay the loan from the Issuer will be evidenced by a promissory note of the Obligor to be known and entitled "Vicar's Landing Obligated Group Series 2021A Note" (the "Series 2021A Note"), issued under and entitled to the benefit and security of a Master Trust Indenture, to be dated as of _____ 1, 2021, as supplemented, and particularly as supplemented by Supplemental Indenture Number 1, to be dated as of _____ 1, 2021 (collectively, the "Master Indenture"), between U.S. Bank National Association, as master trustee, and the Obligor. The Series 2021A Note will constitute an unconditional promise by each Obligated Group Member (as defined in the Master Indenture) to pay amounts sufficient to pay principal of (whether at maturity, by acceleration or call for redemption) and premium, if any, and interest on the Series 2021A Bonds; and the Series 2021A Note will be secured on a parity basis with the Series 2021B Note, the Line of Credit Note and any other Obligations hereafter issued under the Master Indenture (collectively, the "Parity Obligations"), by a lien on and security interest in the Mortgaged Property granted to the Master Trustee pursuant to [insert references to mortgages] (collectively, the "Mortgage"), executed by the Obligor and delivered to the Master Trustee, and a security interest in the Gross Revenues of the Obligated Group and the funds and accounts established under the Master Indenture. Currently, only the Obligor and the Master Trustee are parties to the Master Indenture, and the Obligor is the Obligated Group Representative, on behalf of itself, the Foundation, each as Members of the Obligated Group, and all future Members of the Obligated Group. The Obligor and each Obligated Group Member admitted in the future will be jointly and severally liable for the payment for all obligations entitled to the benefits of the Master Indenture and will be subject to the financial and operating covenants thereunder.

The Series 2021A Note will be issued and payable on a parity with two separate promissory notes of the Obligor to be known and entitled the "Vicar's Landing Obligated Group Series 2021B Note" (the "Series 2021B Note") and the "Vicar's Landing Obligated Group Non-Revolver Line of Credit" (the "Line of Credit Note"), each to be issued by the Obligated Group under the Master Indenture simultaneously with the issuance of the Series 2021A Note in order to secure the repayment of the Series 2021B Bond and the Line of Credit, respectively.

In addition to the security of the Master Indenture and the covenants contained therein, the Bank will have the benefit of certain special covenants and other terms contained in the Series 2021B Financing Agreement. The holders of the Series 2021A Bonds will not have the benefit of (or the ability to enforce or waive) these special covenants or other terms contained in such documents, although a default with respect to these covenants or terms may also constitute a default under the Master Indenture.

For further information on the Master Indenture, see "SECURITY FOR THE SERIES 2021A BONDS - The Master Indenture" herein and APPENDIX D-3 - "Master Indenture," APPENDIX D-4 - "Supplemental Indenture Number 1." For further information regarding the Series 2021B Bond and the Line of Credit see "PLAN OF FINANCE - Series 2021B Bond and Line of Credit" and "RISK FACTORS - Risks Associated with Series 2021B Bond and Line of Credit" herein.

Pledge under Master Indenture. In order to secure the payment of the principal of, premium, if any, and interest on the Series 2021A Note and other Outstanding Obligations, including the Series 2021B Note and the Line of Credit Note, the Obligated Group Members have pledged, assigned, confirmed and granted a security interest unto the Master Trustee in the Gross Revenues of the Obligated Group Members as well as all moneys and securities from time to time held by the Master Trustee under the terms of the Master Indenture. See "SECURITY FOR THE SERIES 2021A BONDS - The Master Indenture -- Pledge under Master Indenture" herein.

As further described below under "SECURITY FOR THE SERIES 2021A BONDS - The Master Indenture - General," the Series 2021B Note and the Line of Credit Note will be the only other Outstanding Obligations upon the issuance of the Series 2021A Note.

Debt Service Reserve Fund. A debt service reserve fund (the "Debt Service Reserve Fund") will be established pursuant to the Bond Indenture and will be fully funded with the proceeds of the Series 2021A Bonds in an amount

equal to the Debt Service Reserve Fund Requirement. See "SECURITY FOR THE SERIES 2021A BONDS - Debt Service Reserve Fund" herein.

Mortgages. As additional security for the Obligated Group's obligations under the Master Indenture, including without limitation the payment of the Series 2021A Note, the Obligor, on behalf of the Members of the Obligated Group, has entered into the Mortgage, pursuant to which the Obligor has granted to the Master Trustee a first mortgage on the real estate portion of the Community and all personal property used in connection with or arising out of the operation of the Community, together with all leases, rents and profits derived from such property, subject to Permitted Encumbrances (such property subjected to the lien of the Mortgage are referred to herein as the "Mortgaged Property"). See "SECURITY FOR THE SERIES 2021A BONDS - Mortgage" herein and APPENDIX D-6 - "Mortgage" hereto. [add and revise for leasehold mortgage]

Collateral Assignment. As additional security for the Series 2021A Note, and any other Outstanding Obligations issued under the Master Indenture, including the Series 2021B Note, the Obligor will enter into a Collateral Assignment of Contracts, to be dated as of _____ 1, 2021 (the "Collateral Assignment"), to collaterally assign to the Master Trustee all of its right, title and interest in the Management Agreement [add others, including development agreement, architect agreement, construction contract, etc]. See "SECURITY FOR THE SERIES 2021A BONDS - Collateral Assignment" herein.

Tax Exemption

In the opinion of Bond Counsel, assuming compliance with certain arbitrage rebate and other tax requirements referred to herein, under existing law, interest on the Series 2021A Bonds is excludable from gross income for federal income tax purposes and will not be treated as an item of tax preference in computing the alternative minimum tax imposed on certain taxpayers other than corporations (as defined for federal income tax purposes). Interest on the Series 2021A Bonds could be subject to the consequences of other provisions of the Internal Revenue Code of 1986, as amended, as further described herein. See "TAX EXEMPTION" for a brief description of certain federal income tax consequences to certain recipients of interest on the Series 2021A Bonds. See APPENDIX E hereto for the form of the opinion Bond Counsel proposes to deliver in connection with the issuance of the Series 2021A Bonds. The Series 2021A Bonds and the Series 2021B Bond will be considered a single issue for federal income tax purposes (collectively, the "2021" Issue"). Therefore, any actions of the Issuer or the Obligor with respect to any obligations comprising the 2021 Issue that adversely affect the exclusion of interest on such obligations may also adversely affect the exclusion of interest on all obligations comprising the 2021 Issue.

Financial Feasibility Study

CliftonLarsonAllen LLP, independent certified public accountants, has examined the forecasted financial statements of the Obligor, as of December 31, [2021, 2022, 2023 and 2024] and for each of the years then ended (the "Financial Feasibility Study"). The Financial Feasibility Study is based on assumptions made by management of the Obligor and the Manager as to, among other things, future utilization levels, future costs and future revenues. The Financial Feasibility Study is included as APPENDIX C hereto.

The Financial Feasibility Study is based on various assumptions that represent only the beliefs of the Obligor's management as to the most probable future events and is subject to material uncertainties. No assurances can be given that the Community will, in fact, be occupied at rates, maintain occupancy levels and attain operating efficiencies as stated in the Financial Feasibility Study, and variations from the Financial Feasibility Study for each of such matters should be expected to occur. Accordingly, the operations and financial condition of the Obligor in the future will inevitably vary from those set forth in the Financial Feasibility Study, and such variance may be material and adverse. See "RISK FACTORS - Financial Feasibility Study." THE FINANCIAL FEASIBILITY STUDY SHOULD BE READ IN ITS ENTIRETY.

The Obligor assumes no responsibilities to update the Financial Feasibility Study or to provide any financial forecasts or projections in the future. The Underwriter and the Issuer have made no independent inquiry as to the assumptions on which the Financial Feasibility Study is based and assume no responsibility therefor.

The following table reflects the forecasted debt service coverage ratio and number of days of cash on hand for the years ending December 31, 202_ through December 31, 202_ and has been extracted from the Financial Feasibility Study. All amounts, except the ratios, are expressed in thousands of dollars. No assurance can be given that the assumed rates used in making the calculations in the following table will be achieved or maintained.

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[insert schedule of projected financial ratios]

The above table should be considered in conjunction with the entire Financial Feasibility Study in APPENDIX C to understand management's assumptions upon which the Financial Feasibility Study is based, including those assumptions relating to the average annual interest rates pertaining to the Series 2021A Bonds. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Risk Factors

AN INVESTMENT IN THE SERIES 2021A BONDS INVOLVES A SIGNIFICANT DEGREE OF RISK. PROSPECTIVE BONDHOLDERS ARE ADVISED TO READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING THE APPENDICES HERETO, BEFORE MAKING AN INVESTMENT DECISION TO PURCHASE SERIES 2021A BONDS. SPECIAL REFERENCE IS MADE TO THE SECTIONS "SECURITY FOR THE SERIES 2021A BONDS" AND "RISK FACTORS" HEREIN FOR A DISCUSSION OF CERTAIN RISK FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE SERIES 2021A BONDS. Careful consideration should be given to these risks and other risks described elsewhere in this Official Statement. Among other things, because the Series 2021A Bonds are payable solely from the Trust Estate, careful evaluation should be made of certain factors that may adversely affect the ability of the Obligor to generate sufficient Gross Revenues to pay its expenses of operation, including the principal or redemption price of and interest on the Series 2021A Bonds.

Continuing Disclosure

Inasmuch as the Series 2021A Bonds are limited obligations of the Issuer, the Issuer has determined that no financial or operating data concerning it is material to any decision to purchase, hold or sell the Series 2021A Bonds, and the Issuer will not provide any such information. The Obligor has undertaken all responsibilities for any continuing disclosure to holders of the Series 2021A Bonds as described below, and the Issuer will have no liability to the holders or any other person with respect to such disclosures.

The Obligor has covenanted for the benefit of the beneficial owners of the Series 2021A Bonds, pursuant to a Continuing Disclosure Certificate, to be dated as of _____ 1, 2021 (the "Disclosure Certificate"), to provide or cause to be provided: (1) each year, certain financial information and operating data relating to the Obligated Group (the "Annual Report"), (2) certain quarterly financial information and operating data relating to the Obligated Group (the "Quarterly Report"), and (3) notices of the occurrence of certain enumerated events. The Annual Reports, Quarterly Reports and event notices will be filed by or on behalf of the Obligor with the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format as prescribed by the MSRB (which, as of the date hereof, is the Electronic Municipal Market Access ("EMMA") system of the MSRB). The covenants have been made in order to assist B.C. Ziegler and Company (the "Underwriter") in complying with Securities and Exchange Commission Rule 15c2-12(b)(5). See "FINANCIAL REPORTING AND CONTINUING DISCLOSURE" herein. The form of the Disclosure Certificate is attached hereto as APPENDIX G.

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THE ISSUER

The Issuer is a public body corporate and politic duly created and validly existing by virtue of the Act, and a resolution adopted by the governing body of St. Johns County. The general purpose of the Issuer is to promote the economic growth of the State of Florida, increase opportunities for gainful employment, promote the advancement of healthcare and the economic development of the State of Florida, and otherwise contribute to the general welfare of the State of Florida and its inhabitants, and to finance, refinance and reimburse the cost of such projects by the issuance of revenue bonds. The Act provides that the Issuer is authorized to make loans for the purpose of financing or refinancing the acquisition, construction, improvement or equipping of projects, including health care facilities (within the meaning of the Act). The Issuer is authorized by the Act to issue revenue bonds payable solely from the revenues and receipts derived by the Issuer from such loan, and to secure such bonds by a pledge and assignment of such revenues and receipts and its interest in and rights under any loan agreements relating to such facilities and any collateral therefor. The Board of County Commissioners of St. Johns County has authorized the issuance of the Series 2021A Bonds.

THE SERIES 2021A BONDS ARE SPECIAL OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM AND SECURED BY A PLEDGE OF THE TRUST ESTATE AND FUNDS PROVIDED THEREFOR UNDER THE BOND INDENTURE. THE SERIES 2021A BONDS AND THE INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER THE STATE OF FLORIDA NOR ANY POLITICAL SUBDIVISION THEREOF (INCLUDING ST. JOHNS COUNTY) NOR THE ISSUER SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THE SERIES 2021A BONDS, OTHER THAN FROM THE TRUST ESTATE, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF FLORIDA OR OF ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2021A BONDS.

None of the officers, members, directors, officers, agents or employees of the Issuer will be personally liable for payments under the Series 2021A Bonds. The Issuer has not reviewed any feasibility study or other financial analysis of the Obligated Group and has not undertaken to review or approve expenditures for, or to supervise the construction of any facilities of the Obligated Group. The Issuer does not pass on the creditworthiness of the Series 2021A Bonds. The Issuer is not responsible for any information contained herein, except for the information in this section and under the headings "THE ISSUER" and "LITIGATION – Issuer."

Section 517.051, Florida Statutes, as amended, provides for the exemption from registration of certain governmental securities, provided that if an issuer or guarantor of governmental securities has been in default at any time after December 31, 1975 as to principal and interest on any obligation, its securities may not be offered or sold in the State pursuant to the exemption except by means of an offering circular containing full and fair disclosure, as prescribed by rules of the Florida Department of Banking and Finance (the "Department"). Under the rules of the Department, the prescribed disclosure is not required if the information would not be considered material by a reasonable investor.

The Issuer has the power to issue, and has issued, bonds for the purpose of financing projects for the benefit of other conduit borrowers. Bonds issued by the Issuer for parties other than the Members of the Obligated Group may have been, or may be, in default as to principal and interest. However, disclosure with respect to any default on such bonds is not deemed appropriate or material with respect to the Series 2021A Bonds, because the source of payment for such defaulted bonds, if any, is separate and distinct from the source of payment for the Series 2021A Bonds. The Issuer is not and has not been in default at any time after December 31, 1975 as to principal or interest with respect to any obligation issued by the Issuer for the benefit of any Member of the Obligated Group. The Obligated Group has represented to the Issuer that no Member of the Obligated Group has been in default at any time after December 31, 1975 as to principal or interest with respect to any obligation issued or guaranteed by any Member of the Obligated Group.

THE OBLIGATED GROUP

The Obligor is a Florida not-for-profit corporation operated exclusively for charitable purposes as set forth in Section 501(c)(3) of the Code. The Obligor is exempt from federal income taxation under Section 501(a) of the

Code by virtue of being a charitable organization described in Section 501(c)(3) of the Code. The Obligor was incorporated on August 4, 1983 (under the name Life Care Pastoral Services, Inc. ("LCPS")), for the purpose of developing and operating the Existing Community. In October 1997, the Obligor's name changed to Life Care Ponte Vedra, Inc. [and became a subsidiary to LCPS, its sole member.]

LCPS is a Florida not-for-profit and was incorporated in [1983]. The Obligor is the sole member of the Foundation. The Obligor and the Foundation will each be the initial Members of the Obligated Group under the Master Indenture, and the Obligor will be the Obligated Group Representative under the Master Indenture.

For more information regarding the Obligated Group, see APPENDIX A hereto.

THE COMMUNITY

The Existing Community

The Obligor was formed for the purpose of developing and operating the continuing care retirement community ("CCRC") located in Ponte Vedra Beach, St. Johns County, Florida, known as Vicar's Landing (the "Existing Community"). The Existing Community includes (i) 227 independent living units (the "Existing Independent Living Units"), (ii) 38 assisted living apartments (the "Existing Assisted Living Units") in the Stratford building, (iii) 60 skilled nursing beds (the "Existing Skilled Nursing Beds") in the Windsor Health Center (the "Windsor Health Center") and (iv) administrative and common areas.

The Existing Community is located on an approximate 24-acre campus in Ponte Vedra Beach, Florida (the "City") and comprised of the Existing Independent Living Units, the Existing Assisted Living Units, the Existing Skilled Nursing Beds and certain common areas. The Existing Community is within Sawgrass, a 4,800-acre private resort and residential community developed by Arvida Corporation, which includes four adjacent golf clubs, a shopping center, a resort hotel and other residential and recreational amenities.

The Existing Community is located immediately adjacent to the Sawgrass Marriott resort hotel and approximately one-half mile from the Sawgrass Village Shopping Center which is at the main entrance to Sawgrass. The Existing Community is adjacent to the 36-hole PGA Tour's Tournament Players Club, home of the Tournament Players Championship. The City is also the headquarters for the PGA Tour, Inc. and the Association of Tennis Professionals. See "FINANCIAL FEASIBILITY STUDY" in Appendix C hereto.

The Expansion Project

The Obligor plans to develop, own, and operate an expansion to the Existing Community to be known as Vicar's Landing at Oak Bridge (the "Expansion Project" and together with the Existing Community, the "Community"). The Expansion Project will offer independent living and assisted living services, to include memory care, on a site less than one mile from the Existing Community. The Obligor will use the proceeds of the Series 2021A Bonds for development costs of the first phase of the 2021 Expansion Project. See "THE EXPANSION PROJECT" in Appendix A hereto.

Development of the Expansion Project

The Obligor engaged LCPS Management, Inc. ("LCPS Management") to provide development consulting services during the planning and development of the Expansion Project pursuant the Development Agreement. Pursuant to the Development Agreement, LCPS Management's role is to provide certain professional and consulting services related to the planning and development of the Expansion Project and marketing of the Expansion Independent Living Units. LCPS Management is an affiliate of LCPS. Pursuant to the Development Agreement, the Obligor engaged LCPS Management to provide development consulting services for the 2021 Expansion Project and to be responsible for providing marketing services for the Expansion Independent Living Units.

As compensation for services rendered pursuant to the Development Agreement, LCPS Management is to earn a total fee (the "Development Fee") equal to 3% of the predevelopment, development and marketing costs,

estimated at approximately \$4,555,000 and payable as follows: (i) 1/3 upon closing of the permanent financing related to the Expansion Project; (ii) 1/3 paid ratably over a 24-month period beginning the first month after the [issuance of the Bonds][closing of the permanent financing] and (iii) 1/3 paid upon receipt of the final certificate of occupancy related to the 2021 Expansion Project. See "OTHER PROFESSIONAL SERVICES" in Appendix A hereto.

The General Contractors and the Construction Contracts

The 2021 Expansion Project will be constructed by two General Contractors. Danis Construction, LLC ("Danis") will construct the 4 apartment buildings, the clubhouse, the gatehouse and the two buildings that are expected to house the Expansion Independent Living Units. [Dostie] is the general contractor for the 43 cottages. See "OTHER PROFESSIONAL SERVICES" in Appendix A hereto.

The Architect

RLPS, LLP (the "Architect") is the Architect for the 2021 Expansion Project. The Architect provides master planning, architectural and interior design services to clients throughout the United States. Its 85-person professional staff includes 27 registered architects, 15 Interior Designers, 20 LEED Accredited Professionals and 1 WELL Accredited Professional. The Architect utilizes Building Information Modeling (BIM) software and REVIT Architecture 2020. The Architect works primarily with nonprofit organizations. Founded in 1954, the Architect built its reputation on the design and construction of churches. These congregations called upon the Architect to design health care facilities for their aging parishioners. The resulting success and rewards from designing housing for the elderly evolved into a specialized practice in senior living with the national reputation enjoyed by the Architect today. The Architect has completed more than 235 retirement communities and 3,025 projects. Those projects have earned its clients 150 plus awards including top honors from Design for Aging Review and the Environments for Aging Design Showcase. See "OTHER PROFESSIONAL SERVICES" in Appendix A hereto.

The Owner's Representative

The owner's representative, Clark Advisory Services, LLC (the "Owner Representative") is located in Jacksonville, Florida and the Expansion Project is led by firm Founder John Clark and Director Jason Perry. The Owner Representative has experience in construction management on a wide variety of construction product types and has worked with clients on new construction as well as remodeling and expansions of existing occupied facilities. The Owner Representative's experience also includes public-sector projects, regulated health care facilities, mixed-use residential developments as well as senior living campuses. See "OTHER PROFESSIONAL SERVICES" in Appendix A hereto.

The Construction Monitor

Appono Consulting, LLC, a Florida limited liability company (the "Construction Monitor"), is serving as the Construction Monitor for the Bond Trustee. The Construction Monitor was formed in February 2015 specifically to provide construction monitoring services and consulting to developments with an assisted living focus. Pursuant to the agreement, the Construction Monitor is providing the services for the benefit of the Bond Trustee and therefore the Beneficial Owners of the Series 2021A Bonds and the Bank. The Construction Monitor has provided and currently provides similar services for other financial institutions. See "OTHER PROFESSIONAL SERVICES" in Appendix A hereto.

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PLAN OF FINANCE

Estimated Sources and Applications of Funds

The sources and applications of funds in connection with the issuance of the Series 2021A Bonds and the Series 2021B Bond are estimated below.

Estimated Sources of Funds*:

Par Amount of Series 2021A Bonds	\$ _____
[Original Issue Premium/Discount]	
Par Amount of Series 2021B Bond	
Funds Drawn on Line of Credit	
Funds Released from Refunded Bonds ¹	
Equity Contribution	
Total Sources of Funds	\$

Estimated Applications of Funds*:

Redeem Refunded Bonds ¹	
Capitalized Interest	
2021 Expansion Project Costs ²	
[Deposit to Debt Service Reserve Fund] ³	
Costs of Issuance ⁴	
Total Applications of Funds	\$

¹ See "PLAN OF FINANCE - Refunding Program" herein.

² See "PLAN OF FINANCE - Expansion Project" herein. Approximately \$ _____ * will be applied to reimburse to the Obligor for prior capital expenditures.

³ This amount fully funds the Debt Service Reserve Fund for the Series 2021A Bonds and the Series 2021B Bond. See "SECURITY FOR THE SERIES 2021A BONDS - Debt Service Reserve Fund" herein.

⁴ Includes underwriting discount, legal and accounting fees, initial trustee fees, rating agency fees, printing costs, and other costs of issuance relating to the issuance of the Series 2021A Bonds and the Series 2021B Bond.

Refunding Program

On the date of issuance of the Series 2021A Bonds, the Issuer will loan a portion of the proceeds of the sale of the Series 2021A Bonds to the Obligor, which proceeds will be applied to redeem the Refunded Bonds in full on or about the date of issuance of the Series 2021A Bonds. Upon redemption of the Refunded Bonds, funds held in the bond principal fund, the bond interest fund and the debt service reserve fund created under the trust indenture for the Refunded Bonds will be released and applied to the redemption of the Refunding Bonds.

Expansion Project

A portion of the proceeds of the Series 2021A Bonds will be deposited in the Project Account of the Construction Fund, which proceeds will be applied, together with the proceeds of the Series 2021B Bond, to pay costs related to the 2021 Expansion Project. [Describe]

For more information on the Expansion Project, see "THE COMMUNITY - The Expansion Project" in APPENDIX A hereto.

Series 2021B Bond and the Line of Credit

Series 2021B Bond. Simultaneously with the issuance of the Series 2021A Bonds, the Issuer will issue the Series 2021B Bond in a principal amount not to exceed \$ _____, will sell the Series 2021B Bond to the Bank, and will loan the proceeds of the Series 2021B Bond to the Obligor, all pursuant to the Act and Series 2021B Financing Agreement. The Series 2021B Bond will be issued using a draw-down structure. The Obligor

currently expects to draw approximately \$ _____* on the Series 2021B Bond, including an initial draw on the date of issuance and delivery of the Series 2021A Bonds to pay a portion of the costs of issuing the Series 2021B Bond, followed by ____* monthly draws commencing on _____ 1, 20__* and ending on _____ 1, 2021* to pay Expansion Project costs. The Series 2021B Financing Agreement provides that advances on the Series 2021B Bond may not be made beyond three years from the date of issuance of the Series 2021B Bond unless the Bank consents to such extension. The Series 2021B Financing Agreement provides that the Bank's commitment to make advances on the Series 2021B Bond will be suspended after the occurrence and during the continuance of an event of default under the Series 2021B Financing Agreement.

The Series 2021B Bond will be issued as a variable rate obligation. Pursuant to the Series 2021B Financing Agreement, the Series 2021B Bond will bear interest at a variable per annum rate equal to ____% multiplied by the sum of the [30-day LIBOR] rate plus ____%. The interest rate is subject to certain adjustments, including upon any change in the maximum federal corporate tax rate, a final determination of taxability, an inability to establish the interest rate based upon LIBOR or a replacement rate, a change in law resulting in additional costs imposed upon the Bank, or an event of default under the Series 2021B Financing Agreement. [The Obligor may prepay the Series 2021B Bond (and the related Series 2021B Note), in whole or in part, no more frequently than once per calendar quarter and, if in part, in an amount not less than \$100,000, by paying to the holder of the Series 2021B Bond the principal amount of the Loan to be prepaid, together with the unpaid interest accrued on the amount of principal so prepaid to the date of such prepayment, without premium or penalty. The Bank will not have the option to tender the Series 2021B Bond for mandatory purchase by the Obligor prior to the maturity date of the Series 2021B Bond.]

In addition to the security of the Master Indenture and the covenants contained therein, the Bank will have the benefit of certain special covenants and other terms contained in the Series 2021B Financing Agreement relating to the Series 2021B Bond (and the related Series 2021B Note). Specifically, in addition to the terms set forth above, the Series 2021B Financing Agreement will require, among other things, that the Obligor [update, this is a placeholder] (a) provide prompt written notice to the Bank upon the occurrence of certain material events, (b) maintain a variable to fixed interest rate hedge equivalent with a notional amount equal to at least 50% of the principal amount of the Series 2021B Bond, and (c) indemnify the Bank for certain liabilities and expenses associated with holding the Series 2021B Bond. The Series 2021B Financing Agreement also requires the Bank's approval in certain circumstances, including, among others, upon (i) certain transfers of property of the Obligor, (ii) certain fundamental changes to the corporate status of the Obligor, and (iii) certain amendments to the Management Agreement. **The holders of the Series 2021A Bonds will not have the benefit of (or the ability to enforce or waive) these special covenants or other terms contained in the Series 2021B Financing Agreement, although a default with respect to these covenants or terms may also constitute a default under the Master Indenture. See "RISK FACTORS - Risks Associated with Series 2021B Bond" herein.**

Line of Credit.

[Remainder of Page Intentionally Left Blank]

ESTIMATED ANNUAL DEBT SERVICE REQUIREMENTS

The following table sets forth the estimated amounts for the payment of principal of and interest on the Series 2021A Bonds and the Series 2021B Bond (after the refunding of the Refunded Bonds), at maturity or by mandatory sinking fund redemption and for the payment of interest for each bond year ending _____. [Line of Credit]

Bond Year Ending January 1	Series 2021A Bonds			Series 2021B Bond ¹			Total Combined Debt Service
	<u>Principal*</u>	<u>Interest</u>	<u>Subtotal</u>	<u>Principal*</u>	<u>Interest</u>	<u>Subtotal</u>	
2020							
2021							
2022							
2023							
2024							
2025							
2026							
2027							
2028							
2029							
2030							
2031							
2032							
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2043							
2044							
2045							
2046							
2047							
2048							
2049							
2050							
2051							
2052							
2053							
2054							
2055							
Total	\$			\$			

¹ The Series 2021B Bond is secured by the Series 2021B Note issued under the Master Indenture. Substantially all of the proceeds of the Series 2021B Bond will be advanced by the Bank to the Obligor on a draw-down basis to pay Expansion Project costs. The above assumes an initial draw of \$_____ * on the date of issuance and delivery of the Series 2021A Bonds, followed by __ monthly draws commencing in _____ 20__ and ending in _____ 20__. Interest amounts shown assume an interest rate of ____% per annum. For further information regarding the Series 2021B Bond, see "PLAN OF FINANCE - Series 2021B Bond," "SECURITY FOR THE SERIES 2021A BONDS - The Master Indenture" and "RISK FACTORS - Risks Associated with Series 2021B Bond" herein.

THE SERIES 2021A BONDS

General

The Series 2021A Bonds provide that no recourse under or upon any obligation, covenant, or agreement contained in the Bond Indenture, or in any Series 2021A Bond, or under any judgment obtained against the Issuer or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, under or independent of the Bond Indenture, may be had against any director, incorporator, officer, agent, employee, or representative as such, past, present or future, of the Issuer, either directly or through the Issuer or otherwise, for the payment for or to the Issuer or for or to the registered owner of any Series 2021A Bond issued thereunder or otherwise, of any sum that may be due and unpaid by the Issuer upon any such Series 2021A Bond. Neither the officers, directors, agents, attorneys, employees or representatives of the Issuer past, present or future, nor any person executing the Series 2021A Bonds or the Bond Indenture, will be personally liable thereon or be subject to any personal liability by reason of the issuance thereof, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the execution of the Bond Indenture and the issuance of the Series 2021A Bonds.

Book-Entry-Only System

So long as DTC acts as securities depository for the Series 2021A Bonds, as described in APPENDIX F hereto, all references herein to "Owner," "owner," "Holder" or "holder" of any Series 2021A Bonds or to "Bondowner," "Bondholder," "bondowner" or "bondholder" are deemed to refer to Cede & Co., as nominee for DTC, and not to Participants, Indirect Participants or beneficial owners of the Series 2021A Bonds.

So long as the Series 2021A Bonds are registered in the name of Cede & Co., as nominee of DTC, principal of, premium, if any, and interest on the Series 2021A Bonds will be paid as described in APPENDIX F hereto. The following information is subject in its entirety to the provisions described in APPENDIX F hereto.

Payment of Principal and Interest

The Series 2021A Bonds will be issued only in fully registered form in the denominations of \$5,000 or any integral multiple of \$5,000 in excess thereof. The Series 2021A Bonds will be dated their date of delivery and will accrue interest from the date of delivery, except as otherwise provided in the Bond Indenture. The Series 2021A Bonds will bear interest (based on a 360-day year of twelve 30-day months) at the rates set forth on the inside cover hereof, payable on [June 15] and [December 15] each year, commencing [December 15, 2021] (each, an "Interest Payment Date"), and mature on the dates set forth on the inside cover page hereof.

The principal of and premium, if any, on the Series 2021A Bonds will be payable in lawful money of the United States of America at the Payment Office of the Bond Trustee, or at the designated corporate trust office of its successor, upon presentation and surrender of the Series 2021A Bonds. Payment of interest on each Bond will be made to the person who is the Registered Owner thereof at the close of business on the last day of the calendar month preceding each Interest Payment Date (each, a "Regular Record Date") and are required to be paid (i) by check mailed by the Bond Trustee on such Interest Payment Date to such Registered Owner at his or her address as it appears on the registration records kept by the Bond Trustee or (ii) as to any Registered Owner of \$1,000,000 or more in aggregate principal amount of Bonds who so elects, by wire transfer of same day funds to such wire transfer address within the continental United States of America as the Registered Owner shall have furnished to the Bond Trustee in writing on or prior to the Regular Record Date and upon compliance with the reasonable requirements of the Bond Trustee. In the Event of Default in the payment of interest due on such Interest Payment Date, defaulted interest will be payable to the Registered Owner at the close of business on a Special Record Date for the payment of such defaulted interest. Notice of the Special Record Date will be given to the Registered Owners of the Series 2021A Bonds not less than ten days prior thereto by first class postage prepaid mail to each such Registered Owner as shown on the registration records, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest.

Redemption Provisions Related to Series 2021A Bonds

Optional Redemption. The Series 2021A Bonds are subject to optional redemption prior to maturity by the Issuer, at the written direction of the Obligor, on or after _____ 1, 20__, at any time as a whole or in part by lot (subject to the requirements of the Bond Indenture with respect to partial redemptions), at the following redemption prices (expressed as a percentage of the principal amount to be redeemed), plus accrued interest to the redemption date:

<u>Redemption Period (Dates Inclusive)</u>	<u>Redemption Price</u>
	103%
	102
	101
	100

Mandatory Sinking Fund Redemption. The Series 2021A Bonds maturing on January 1, _____ are subject to mandatory bond sinking fund redemption at a redemption price equal to 100% of the principal amount thereof and accrued interest to the redemption date, without premium, as follows:

<u>Year</u>	<u>Amount</u>
-------------	---------------

†

† Stated maturity.

The Series 2021A Bonds maturing on January 1, _____ are subject to mandatory bond sinking fund redemption at a redemption price equal to 100% of the principal amount thereof and accrued interest to the redemption date, without premium, as follows:

<u>Year</u>	<u>Amount</u>
-------------	---------------

†

† Stated maturity.

The Series 2021A Bonds maturing on January 1, _____ are subject to mandatory bond sinking fund redemption at a redemption price equal to 100% of the principal amount thereof and accrued interest to the redemption date, without premium, as follows:

<u>Year</u>	<u>Amount</u>
-------------	---------------

†

† Stated maturity.

The Series 2021A Bonds maturing on January 1, _____ are subject to mandatory bond sinking fund redemption at a redemption price equal to 100% of the principal amount thereof and accrued interest to the redemption date, without premium, as follows:

Year

Amount

†

† Stated maturity.

On or before the thirtieth (30th) day prior to each sinking fund payment date, the Bond Trustee will proceed to select for redemption (by lot in such manner as the Bond Trustee may determine) from all Series 2021A Bonds Outstanding maturing on January 1, 20__, January 1, 20__, or January 1, 20__, as the case may be, a principal amount of such Series 2021A Bonds equal to the Aggregate Principal Amount of such Series 2021A Bonds redeemable with the required sinking fund payment, and will call such Series 2021A Bonds or portions thereof (\$5,000 or any integral multiple of \$5,000 in excess thereof) for redemption from the sinking fund on the next January 1, and give notice of such call. At the option of the Obligor to be exercised by delivery of a written certificate to the Bond Trustee on or before the forty-fifth (45th) day next preceding any sinking fund redemption date, it may (i) deliver to the Bond Trustee for cancellation Series 2021A Bonds or portions thereof maturing on January 1, 20__, January 1, 20__, or January 1, 20__, as the case may be, in an Aggregate Principal Amount desired by the Obligor, or (ii) specify a principal amount of Series 2021A Bonds or portions thereof maturing on January 1, 20__, January 1, 20__, or January 1, 20__, as the case may be, which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and canceled by the Bond Trustee at the request of the Obligor and not theretofore applied as a credit against any sinking fund redemption obligation. Each such Series 2021A Bond or portion thereof so delivered or previously redeemed will be credited by the Bond Trustee at 100% of the principal amount thereof against the obligation of the Issuer to redeem Series 2021A Bonds on such sinking fund redemption date. Any excess will be credited against the next sinking fund redemption obligation to redeem Series 2021A Bonds.

Mandatory Redemption from Surplus Construction Fund Moneys. The Series 2021A Bonds are subject to mandatory redemption in whole or in part on any date for which timely notice of redemption can be given by the Bond Trustee upon receipt of the Completion Certificate at a redemption price equal to the aggregate principal amount of the Series 2021A Bonds to be redeemed plus accrued interest to the redemption date, without premium, to the extent Surplus Construction Fund Moneys are transferred to the Principal Account of the Bond Fund. The Series 2021A Bonds shall be selected for redemption in accordance with the Bond Indenture as described in the subsection titled "*Partial Redemption*" below.

Extraordinary Optional Redemption. The Series 2021A Bonds will be subject to extraordinary optional redemption by the Issuer at the written direction of the Obligor prior to their scheduled maturities, in whole or in part by lot (subject to the requirements of the Bond Indenture with regards to partial redemption as described in the subsection titled "*Partial Redemption*" below) at a redemption price equal to the principal amount thereof plus accrued interest from the most recent interest payment date to the redemption date on any date following the occurrence of any of the following events:

(1) in case of damage or destruction to, or condemnation of, any property, plant, and equipment of any Obligated Group Member, to the extent that the net proceeds of insurance or condemnation award exceed the Threshold Amount (as defined in the Master Indenture), and the Obligor has determined not to use such net proceeds or award to repair, rebuild or replace such property, plant, and equipment; or

(2) as a result of any changes in the Constitution or laws of the State of Florida or of the United States of America or of any legislative, executive, or administrative action (whether state or federal) or of any final decree, judgment, or order of any court or administrative body (whether state or federal), the obligations of the Obligor under the Loan Agreement have become, as established by an Opinion of Counsel, void or unenforceable in each case in any material respect in accordance with the intent and purpose of the parties as expressed in the Loan Agreement.

Partial Redemption. In the event that less than all of the Outstanding Series 2021A Bonds are to be redeemed pursuant to the optional redemption, extraordinary optional redemption or mandatory redemption from surplus

construction fund moneys provisions of the Bond Indenture, the Obligor may select the particular maturities to be redeemed. If less than all Series 2021A Bonds or portions thereof of a single maturity are to be redeemed, they will be selected by the Securities Depository or by lot by the Bond Trustee in such manner as the Bond Trustee may determine.

If a Series 2021A Bond is of a denomination larger than the minimum Authorized Denomination, a portion of such Series 2021A Bond may be redeemed, but Series 2021A Bonds will be redeemed only in the principal amount of an Authorized Denomination and no Series 2021A Bond may be redeemed in part if the principal amount to be Outstanding following such partial redemption is not an Authorized Denomination.

Notice of Redemption. The Series 2021A Bonds shall be called for optional redemption by the Bond Trustee as herein provided upon receipt by the Bond Trustee at least 45 days (or such shorter time as agreed to by the Bond Trustee) prior to the redemption date of a certificate of the Obligor specifying the principal amount of Series 2021A Bonds to be called for redemption, the applicable redemption price or prices and the provision or provisions of the Bond Indenture pursuant to which such Series 2021A Bonds are to be called for redemption. The provisions of the preceding sentence shall not apply to the redemption of Series 2021A Bonds pursuant to the sinking fund provided in the Bond Indenture, and such Series 2021A Bonds shall be called for redemption by the Bond Trustee without the necessity of any action by the Obligor or the Issuer. In case of every redemption (except those related to the Sinking Fund), the Bond Trustee shall cause notice of such redemption to be given by Electronic Means (as defined in the Bond Indenture) or by mailing by first class mail, postage prepaid, a copy of the redemption notice to the owners of the Series 2021A Bonds designated for redemption in whole or in part, at their addresses as the same shall last appear upon the registration books, in each case not more than 60 nor less than 30 days prior to the redemption date. In addition, notice of redemption shall be sent by first class or registered mail, return receipt requested, or by overnight delivery service (1) contemporaneously with such mailing to any owner of \$1,000,000 or more in principal amount of Series 2021A Bonds, and (2) to any securities depository registered as such pursuant to the Securities Exchange Act of 1934, as amended, that is an owner of Series 2021A Bonds to be redeemed so that such notice is received at least two days prior to such mailing date; provided, however, the failure to give such aforementioned notice shall not affect the validity of any proceedings for the redemption of such Series 2021A Bonds if notice is given in accordance with the prior sentence.

All notices of redemption shall state: (1) the redemption date, (2) the redemption price, (3) the identification, including complete designation (including series) and issue date of the Series 2021A Bonds and the CUSIP number (and in the case of partial redemption, certificate number and the respective principal amounts, interest rates and maturity dates) of the Series 2021A Bonds to be redeemed, (4) that on the redemption date the redemption price will become due and payable upon each such Series 2021A Bonds, and that interest thereon shall cease to accrue from and after said date, (5) the name and address of the Bond Trustee and any paying agent for such Bonds, including the place where such Series 2021A Bonds are to be surrendered for payment of the redemption price and the name and phone number of a contact person at such address; provided, however, any defect in such notice, shall not affect the validity of any proceedings for the redemption of such Series 2021A Bonds.

Notwithstanding the foregoing or any other provision hereof, notice of optional redemption pursuant to the Bond Indenture may, upon written direction of the Obligor to the Issuer, be conditioned upon the occurrence or non-occurrence of such event or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the Issuer upon written direction of the Obligor to the Bond Trustee if expressly set forth in such notice.

Purchase in Lieu of Redemption. [Add here and Bond Indenture]

SECURITY FOR THE SERIES 2021A BONDS

General

The Series 2021A Bonds will be issued under and will be equally and ratably secured under the Bond Indenture, pursuant to which the Issuer will assign and pledge to the Bond Trustee (1) the Series 2021A Note; (2) certain rights of the Issuer under the Loan Agreement (other than certain rights of the Issuer to receive payments) together with all powers, privileges, options and other benefits of the Issuer contained in the Loan Agreement;

(3) amounts on deposit from time to time in the Bond Fund, Costs of Issuance Fund, Reserve Fund and Construction Fund, but excluding the Rebate Fund; and (4) such other property as may from time to time be pledged to the Bond Trustee as additional security for such Series 2021A Bonds or which may come into possession of the Bond Trustee pursuant to the terms of the Loan Agreement or the Series 2021A Note.

The proceeds of the Series 2021A Bonds will be loaned to the Obligor pursuant to the Loan Agreement, and the obligation of the Obligor to repay that loan will be evidenced by Series 2021A Note of the Obligor issued pursuant to, and entitled to the benefit and security of, the Master Indenture. The Series 2021A Note and other Outstanding Parity Obligations, including the Series 2021B Note, are also secured by the Mortgage(s). See "APPENDIX D-1 - "Bond Indenture" hereto.

Limited Obligations

NEITHER THE STATE OF FLORIDA NOR ST. JOHNS COUNTY, FLORIDA OR ANY OTHER POLITICAL SUBDIVISION OR AGENCY OF THE STATE OF FLORIDA SHALL BE LIABLE OR OBLIGATED (GENERALLY, SPECIALLY, MORALLY OR OTHERWISE) FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON ANY OF THE SERIES 2021A BONDS. THE SERIES 2021A BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE REVENUES, RECEIPTS AND RESOURCES OF THE ISSUER PLEDGED TO THEIR PAYMENT AND NOT FROM ANY OTHER REVENUES, FUNDS OR ASSETS OF THE ISSUER. NONE OF THE SERIES 2021A BONDS SHALL BE CONSTRUED OR CONSTITUTE AN INDEBTEDNESS OF THE ISSUER OR AN INDEBTEDNESS OR OBLIGATION (SPECIAL, MORAL OR GENERAL) OF THE STATE OF FLORIDA, ST. JOHNS COUNTY, FLORIDA OR ANY OTHER POLITICAL SUBDIVISION OR AGENCY OF THE STATE OF FLORIDA WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER. THE ISSUER HAS NO TAXING POWER.

The Loan Agreement

Under the Loan Agreement, the Obligor is required to duly and punctually to pay the principal of, premium, if any, and interest on the Series 2021A Bonds when due and to make certain other payments. See "APPENDIX D-2 - "Loan Agreement" hereto.

The Bond Indenture

General. The Issuer has entered into the Bond Indenture with the Bond Trustee.

Bond Fund. The Bond Indenture creates a trust fund to be designated as the "St. Johns County Industrial Development Authority Senior Living Revenue Bonds (Vicar's Landing Project) Series 2021A Bond Fund" (the "Bond Fund"). There are hereby created by the Issuer and ordered established with the Bond Trustee two separate accounts within the Bond Fund to be designated as the Principal Account (the "Principal Account") and the Interest Account (the "Interest Account"). Moneys on deposit in the Principal Account shall be used to pay the principal of and premium, if any, on the Series 2021A Bonds, when due and payable. Moneys on deposit in the Interest Account shall be used to pay the interest on the Series 2021A Bonds.

There shall also be deposited into the Principal Account or the Interest Account, as and when received, (i) amounts on deposit in the Funded Interest Account of the Construction Fund, (ii) all payments on the Series 2021A Note, (iii) all moneys transferred to the Bond Fund from the Reserve Fund pursuant to the Bond Indenture, (iv) all other moneys required to be deposited therein pursuant to the Loan Agreement, and (v) all other moneys received by the Bond Trustee when accompanied by written directions that such moneys are to be paid into the Principal Account or the Interest Account. There also shall be retained or deposited in the Principal Account or the Interest Account all interest and other income received on investments or moneys required to be transferred thereto, in accordance with the Bond Indenture. The Issuer hereby covenants and agrees that so long as any of the Series 2021A Bonds are Outstanding it will deposit, or cause to be deposited, into the Principal Account or the Interest Account, as applicable, for its account sufficient sums from revenues and receipts derived from the Loan Agreement

promptly to meet and pay the principal of, premium, if any, and interest on the Series 2021A Bonds as the same become due and payable.

Construction Fund. The Bond Indenture creates a trust fund designated as the "St. Johns County Industrial Development Authority Senior Living Revenue Bonds (Vicar's Landing Project), Series 2021A Construction Fund" (the "Construction Fund"). There are hereby created by the Issuer and ordered established with the Bond Trustee two separate accounts within the Construction Fund to be designated as the Funded Interest Account and the Project Account. Moneys shall be deposited in the Construction Fund or the accounts therein for that portion of the proceeds of the Series 2021A Bonds used to finance costs of the Project in accordance with the Bond Indenture. Moneys in the Construction Fund shall be used to pay Costs of a Project or as hereinafter provided.

Moneys in the Funded Interest Account of the Construction Fund shall be used to pay interest accruing on a portion of the Series 2021A Bonds through _____, 20____; provided, however, to the extent monies remain in the Funded Interest Account after such date such monies shall be transferred to the Principal Account of the Bond Fund and used only for payment of principal on the Series 2021A Bonds or for such other purposes as permitted in an Opinion of Bond Counsel and the Funded Interest Account shall be closed. Under no circumstances shall moneys in the Construction Fund be used to pay Cost of Issuance.

In the event there are insufficient moneys in any Interest Account of the Bond Fund to pay interest on the Series 2021A Bonds when due, the Bond Trustee shall transfer moneys in the Funded Interest Account of the Construction Fund to such Interest Account of the Bond Fund to pay such interest when due. The Bond Trustee shall disburse moneys in the Project Account of the Construction Fund as provided herein and in Article IV of the Loan Agreement. All Surplus Construction Fund Money remaining in the Construction Fund after the Completion Certificate is filed with the Bond Trustee and payment of all other costs then due and payable shall be transferred to the Bond Fund and shall be used to pay debt service on the Series 2021A Bonds or such other purpose as permitted in an Opinion of Bond Counsel.

Payments from the Project Account of the Construction Fund shall be made in accordance with this Article III and Article IV of the Loan Agreement. Upon receipt of the required certificates, the Bond Trustee shall pay the amount requested pursuant to the [Disbursement Agreement].

Reserve Fund. The Bond Indenture creates a trust fund designated as the "St. Johns County Industrial Development Authority Senior Living Revenue Bonds (Vicar's Landing Project), Series 2021A Debt Service Reserve Fund" (the "Reserve Fund"). Moneys on deposit in the Reserve Fund shall be used to provide a reserve for the payment of the principal of and interest on the Series 2021A Bonds and no other series of Bonds shall be secured therewith. See APPENDIX D-1 - "Bond Indenture" and particularly Section 3.10 thereto.

The amount on deposit in the Debt Service Reserve Fund will be the Debt Service Requirement on the Series 2021A Bonds. The term "Debt Service Reserve Fund Requirement" means the least of (A) one hundred percent (100%) of Maximum Annual Debt Service Requirement on the Series 2021A Bonds, (B) one hundred twenty-five percent (125%) of the average annual debt service requirement on the Series 2021A Bonds and (C) ten percent (10%) of the original stated original principal amount of the Series 2021A Bonds. See APPENDIX D-1 - "Bond Indenture" hereto (including specifically Section 3.08).

In accordance with Section 651.035, Florida Statutes, not less than ten (10) days prior to any withdrawal of monies from in the Reserve Fund, notice of the withdrawal from the Reserve Fund shall be given by the Bond Trustee or the Obligor by telephone (850/413-3140) (promptly confirmed in writing) or facsimile (850/488-0313) to the Florida Office of Insurance Regulation, Specialty Product Administration, The Larson Building 200 East Gaines Street, Tallahassee, Florida 32399-0327 (the "Office of Insurance"); provided that such notice by telephone, by facsimile or in writing may be given to the Office of Insurance at other telephone numbers or other addresses if required by the Office of Insurance to be used in lieu of the foregoing. The Bond Trustee shall provide the Office of Insurance with any information concerning the Reserve Fund upon request of the Office of Insurance or the Obligor. [cross reference risk factors]

The Master Indenture

General. The Obligor has entered into the Master Indenture with the Master Trustee. The Master Indenture provides for the creation of a group of entities called the Obligated Group, which are jointly and severally liable for the payment of all Obligations issued under the Master Indenture. The Master Indenture is intended to provide assurance for the repayment of Obligations entitled to its benefits by imposing financial and operating covenants which restrict the Obligor and any other future Obligated Group Members and by the appointment of the Master Trustee to enforce such covenants for the benefit of the holders of such Obligations.

Simultaneously with the issuance of the Series 2021A Bonds, the Obligor will execute the Series 2021A Note as an Obligation issued under and secured by the Master Indenture. The Series 2021A Note will obligate the Obligor to make payments directly to the Bond Trustee for the Issuer's account in amounts and at times calculated to be sufficient to pay, when due, the principal of, premium, if any, and interest on the Series 2021A Bonds. Stated aggregate payments on the Series 2021A Note will be sufficient to pay the principal, premium, if any, and interest on the Series 2021A Bonds as they become due and payable.

Parity Obligations. On the date of issuance of the Series 2021A Bonds, the Obligor will execute the Series 2021B Note as Obligations issued under and secured by the Master Indenture. The Series 2021B Note will obligate the Obligor to make payments directly to the Bank for the Issuer's account in amounts and at times calculated to be sufficient to pay, when due, the principal of, premium, if any, and interest on the Series 2021B Bond. Stated payments on the Series 2021B Note will be sufficient to pay the principal, premium, if any, and interest on the Series 2021B Bond as they become due and payable.

The Series 2021A Note will be deemed issued under, and will be governed by, the Master Indenture and will be a parity obligation sharing equally and ratably in the security provided under the Master Indenture, including the Mortgage, on a parity basis with the Series 2021B Note and any other Parity Obligations hereafter issued under the Master Indenture. Under certain circumstances, the Master Indenture permits the Obligated Group to incur additional Obligations that will be equally and ratably secured on a parity basis with the Series 2021A Note and the Series 2021B Note under the Master Indenture.

In addition to the security of the Master Indenture and the covenants contained therein, the Bank will have the benefit of certain special covenants and other terms contained in the Series 2021B Financing Agreement. The holders of the Series 2021A Bonds will not have the benefit of (or the ability to enforce or waive) these special covenants or other terms contained in such documents, although a default with respect to these covenants or terms may also constitute a default under the Master Indenture. See "RISK FACTORS - Risks Associated with Series 2021B Bond" herein.

Pledge under Master Indenture. Pursuant to the Master Indenture, the Obligor and any future Obligated Group Members have pledged and granted to the Master Trustee a security interest in (a) all the Gross Revenues of the Obligated Group, with certain limited exceptions, (b) certain real and personal property owned or hereafter acquired by the Obligated Group, (c) accounts or deposits in any fund or account established under the Master Indenture, and (d) any other property from time to time subjected to the lien of the Master Indenture. Pursuant to the Mortgage, the Obligor has pledged and granted to the Master Trustee a lien on the Mortgaged Property and a security interest in all

Covenants under Master Indenture

In addition to the covenants described below, the Master Indenture contains additional covenants relating to, among others, the maintenance of the Obligated Group Member's property, corporate existence, the maintenance of certain levels of insurance coverage, the incurrence of additional debt, the sale or lease of certain property, and permitted liens. For a full description of these and other covenants, see APPENDIX D-3 - "Master Indenture" hereto.

Rate Covenant. Pursuant to the Master Indenture, the Obligated Group has covenanted to operate all of its Facilities on a revenue-producing basis and to charge such fees and rates for its Facilities and services and to exercise such skill and diligence, including obtaining payment for services provided, as to provide income from its

Property together with other available funds sufficient to pay promptly all payments of principal and interest on its Indebtedness, all expenses of operation, maintenance and repair of its Property and all other payments required to be made by it under the Master Indenture to the extent permitted by law. Each Member has agreed that it will from time to time as often as necessary and to the extent permitted by law, revise its rates, fees and charges in such manner as may be necessary or proper to comply with the provisions of the Master Indenture.

The Obligated Group has also agreed that the Obligor will calculate the Historical Debt Service Coverage Ratio of the Obligated Group for each Fiscal Year, commencing with the Fiscal Year ended December 31, 2022 and deliver a copy of such calculation to the Required Information Recipients.

If the Historical Debt Service Coverage Ratio of the Obligated Group for any Fiscal Year is less than 1.20:1, the Obligated Group Representative, at the Obligated Group's expense, shall select a Consultant and notify the Master Trustee of the selection within thirty (30) days following the calculation described herein, and shall engage a Consultant in accordance with the Master Indenture to make recommendations with respect to the rates, fees and charges of the Members and the Obligated Group's methods of operation and other factors affecting its financial condition in order to increase such Historical Debt Service Coverage Ratio to at least 1.20:1 for the following Fiscal Year; provided, however, the Obligated Group Representative shall not be required to engage a Consultant for a Fiscal Year in which the Historical Debt Service Coverage Ratio is less than 1.20:1 if: (i) the Historical Debt Service Coverage Ratio is equal to or greater than 1.00:1 and (ii) Days Cash on Hand exceeds two hundred fifty (250) days; but the Obligated Group Representative shall be required to engage a Consultant, regardless of Days Cash on Hand, if the Historical Debt Service Coverage Ratio is less than 1.20:1 for two (2) consecutive Fiscal Years.

Within 60 days of the actual engagement of any such Consultant, the Obligated Group Representative is required to cause a copy of the Consultant's report and recommendations, if any, to be filed with each Member and each Required Information Recipient. Each Member is required to follow each recommendation of the Consultant applicable to it to the extent feasible (as determined in the reasonable judgment of the Governing Body of the Obligated Group Representative) and permitted by law. The Master Indenture does not prohibit any prohibit any Member from serving indigent residents to the extent required for such Member to continue its qualification as a Tax-Exempt Organization or from serving any other class or classes of residents without charge or at reduced rates so long as such service does not prevent the Obligated Group from satisfying the other requirements of the Master Indenture.

The foregoing provisions notwithstanding, if the Historical Debt Service Coverage Ratio of the Obligated Group for any Fiscal Year does not meet the levels required above, the Master Trustee will not be obligated to require the Obligated Group to select a Consultant to make such recommendations if: (i) there is filed with the Master Trustee (who will provide a copy to each Required Information Recipient) a written report addressed to them of a Consultant which contains an opinion of such Consultant that applicable laws or regulations have prevented the Obligated Group from generating Income Available for Debt Service during such Fiscal Year sufficient to meet the requirements set forth above, and such report is accompanied by a concurring opinion of Independent Counsel as to any conclusions of law supporting the opinion of such Consultant; (ii) the report of such Consultant indicates that the rates charged by the Obligated Group are such that, in the opinion of the Consultant, the Obligated Group has generated the maximum amount of Revenues reasonably practicable given such laws or regulations; and (iii) the Historical Debt Service Coverage Ratio of the Obligated Group for such Fiscal Year was at least 1.00:1. The Obligated Group will not be required to cause the Consultant's report referred to in the preceding sentence to be prepared more frequently than once every two Fiscal Years if at the end of the first of such two Fiscal Years the Obligated Group provides to the Master Trustee (who will provide a copy to each Related Bond Trustee) an opinion of Independent Counsel to the effect that the applicable laws and regulations underlying the Consultant's report delivered in respect of the previous Fiscal Year have not changed in any material way.

If the Obligated Group fails to achieve a Historical Debt Service Coverage Ratio of 1.20:1 for any Fiscal Year, such failure shall not constitute an Event of Default under the Master Trust Indenture if the Obligated Group takes all action necessary to comply with the procedures set forth above for preparing a report and adopting a plan and follows each recommendation contained in such report to the extent feasible (as determined in the reasonable judgment of the Governing Body of the Obligated Group Representative) and permitted by law; provided, however, it shall be an Event of Default under the Master Trust Indenture if (i) the Obligated Group fails to achieve a Historical Debt Service Coverage Ratio of at least 1.00:1 and the Days Cash on Hand of the Obligated Group as of

the last day of the Fiscal Year is less than one hundred eighty (180) days or (ii) the Obligated Group fails to achieve a Historical Debt Service Coverage Ratio of at least 1.00:1 for two (2) consecutive Fiscal Years.

In the event that any Member of the Obligated Group incurs any Additional Indebtedness for any Capital Addition, the Debt Service Requirements on such Additional Indebtedness and the Revenues and Expenses relating to the project or projects financed with the proceeds of such Additional Indebtedness will be excluded from the calculation of the Historical Debt Service Coverage Ratio of the Obligated Group until the first full Fiscal Year following the later of (i) the estimated completion of the Capital Addition being paid for with the proceeds of such Additional Indebtedness provided that such completion occurs no later than six (6) months following the completion date for such project set forth in the Consultant's report described in (A) below, or (ii) the first full Fiscal Year in which Stable Occupancy is achieved in the case of construction, renovation or replacement of senior living facilities or nursing facilities financed with the proceeds of such Additional Indebtedness, which Stable Occupancy will be projected in the report of the Consultant referred to in paragraph (A) below to occur no later than during the fifth full Fiscal Year following the incurrence of such Additional Indebtedness, or (iii) the end of the fifth full Fiscal Year after the incurrence of such Additional Indebtedness, if the following conditions are met:

(i) there is delivered to the Master Trustee a report or opinion of a Consultant to the effect that the Projected Debt Service Coverage Ratio for the first full Fiscal Year following the later of (A) the estimated completion of the Capital Addition being paid for with the proceeds of such Additional Indebtedness, or (B) the first full Fiscal Year following the year in which Stable Occupancy is achieved in the case of construction, renovation or replacement of senior living facilities or nursing facilities being financed with the proceeds of such Additional Indebtedness, which Stable Occupancy will be projected to occur no later than during the fifth full Fiscal Year following the incurrence of such Additional Indebtedness, will be not less than 1.20:1 after giving effect to the incurrence of such Additional Indebtedness and the application of the proceeds thereof; provided, however, that in the event that a Consultant will deliver a report to the Master Trustee to the effect that state or federal laws or regulations or administrative interpretations of such laws or regulations then in existence do not permit or by their application make it impracticable for Members to produce the required ratio, then such ratio will be reduced to the highest practicable ratio then permitted by such laws or regulations but in no event less than 1.00:1; provided, further, however, that in the event a Consultant's report is not required to incur such Additional Indebtedness, the Obligated Group may deliver an Officer's Certificate to the Master Trustee in lieu of the Consultant's report described in this subparagraph (i); and

(ii) there is delivered to the Master Trustee an Officer's Certificate on the date on which financial statements are required to be delivered to the Master Trustee pursuant to the Master Indenture until the first Fiscal Year in which the exclusion from the calculation of the Historical Debt Service Coverage Ratio no longer applies, calculating the Historical Debt Service Coverage Ratio of the Obligated Group at the end of each Fiscal Year, and demonstrating that such Historical Debt Service Coverage Ratio is not less than 1.00:1, such Historical Debt Service Coverage Ratio to be computed without taking into account (A) the Additional Indebtedness to be incurred if (1) the interest on such Additional Indebtedness during such period is funded from proceeds thereof or other funds of the Member then on hand and available therefor and (2) no principal of such Additional Indebtedness is payable during such period, and (B) the Revenues to be derived from the project to be financed from the proceeds of such Additional Indebtedness.

See APPENDIX D-3 - "Master Indenture" hereto (including specifically Section 4.11 of the Master Indenture). For specific information regarding the process under the Master Indenture for selection of Consultants, see "SECURITY FOR THE SERIES 2021A BONDS - Approval of Consultants" herein and APPENDIX D-3 - "Master Indenture" hereto (including specifically Section 4.21 of the Master Indenture).

Liquidity Covenant. The Master Indenture requires that the Obligated Group calculate the Days Cash on Hand of the Obligated Group as of June 30 and December 31 of each Fiscal Year, commencing with December 31, 2021 (each a "Testing Date"). The Obligated Group will deliver an Officer's Certificate setting forth such calculation for each Testing Date in the manner prescribed in the Master Indenture.

Each Obligated Group Member is required to conduct its business so that on each Testing Date the Obligated Group will have no less than 150 Days Cash on Hand (the "Liquidity Requirement").

If the Days Cash on Hand as of any Testing Date is less than the Liquidity Requirement, the Obligated Group Representative will, within 30 days after delivery of the Officer's Certificate disclosing such deficiency, deliver an Officer's Certificate approved by a resolution of the Governing Body of the Obligated Group Representative to the Master Trustee setting forth in reasonable detail the reasons for such deficiency and adopting a specific plan setting forth steps to be taken designed to raise the level of Days Cash on Hand to the Liquidity Requirement for future Testing Dates.

If the Obligated Group has not raised the level of Days Cash on Hand to the Liquidity Requirement by the next Testing Date immediately subsequent to delivery of the Officer's Certificate required in the preceding paragraph, the Obligated Group Representative will, within 30 days after receipt of the Officer's Certificate disclosing such deficiency, select a Consultant in accordance with the Master Indenture to make recommendations with respect to the rates, fees and charges of the Obligated Group and the Obligated Group's methods of operation and other factors affecting its financial condition in order to increase Days Cash on Hand to the Liquidity Requirement for future Testing Dates. A copy of the Consultant's report and recommendations, if any, will be filed with each Member and each Required Information Recipient within 60 days after the date such Consultant is actually engaged. Each Member of the Obligated Group will follow each recommendation of the Consultant applicable to it to the extent feasible (as determined in the reasonable judgment of the Governing Body of such Member) and permitted by law.

Notwithstanding any other provision of the Master Indenture, failure of the Obligated Group to achieve the required Liquidity Requirement for any Testing Date will not constitute an Event of Default under the Master Indenture if the Obligated Group takes all action necessary to comply with the procedures set forth above for adopting a plan and follows each recommendation contained in such plan or Consultant's report to the extent feasible (as determined in the reasonable judgment of the Governing Body of such Member) and permitted by law.

See APPENDIX D-3 - "Master Indenture" hereto (including specifically Section 4.20 of the Master Indenture).

Approval of Consultants. The Master Indenture provides that if at any time the Members of the Obligated Group are required to engage a Consultant under the provisions of the Master Indenture with respect to the Rate Covenant or Liquidity Covenant, such Consultant will be engaged in the manner as set forth below.

Upon selecting a Consultant as required under the provisions of the Master Indenture, the Obligated Group Representative will notify the Master Trustee in writing of such selection. The Master Trustee will, as soon as practicable but in no case longer than five Business Days after receipt of notice, notify the holders of all Obligations outstanding under the Master Indenture of such selection. Such notice (which will be provided by the Obligated Group Representative) will (i) include the name of the Consultant and a brief description of the Consultant, (ii) state the reason that the Consultant is being engaged including a description of the covenant(s) of the Master Indenture that require the Consultant to be engaged, and (iii) state that the Holder of the Obligation will be deemed to have consented to the selection of the Consultant named in such notice unless such Holder submits an objection to the selected Consultant in writing (in a manner acceptable to the Master Trustee) to the Master Trustee within 15 days of the date that the notice is sent to the Holders. No later than two Business Days after the end of the 15-day objection period, the Master Trustee will notify the Obligated Group Representative of the number of objections. If 66.6% or more in aggregate principal amount of the Holders of the Outstanding Obligations have been deemed to have consented to the selection of the Consultant or have not responded to the request for consent, the Obligated Group Representative will engage the Consultant within three Business Days. If 33.4% or more in aggregate principal amount of the Holders of the Obligations Outstanding have objected to the Consultant selected, the Obligated Group Representative will select another Consultant which may be engaged upon compliance with the procedures described herein.

For further information about the approval of Consultants, including the ability of owners to object to the selection of a Consultant, see APPENDIX D-3 - "Master Indenture" hereto (including specifically Section 4.21 of the Master Indenture).

Occupancy Covenant for the 2021 Expansion Project. So long as the Series 2021B Bond and the Line of Credit is outstanding, the Obligated Group covenants that for each fiscal quarter (a) commencing with the first fiscal quarter which ends not less than 60 days following the issuance of the first certificate of occupancy for the first Independent Living Units in the 2021 Expansion Project and (b) ending with the first full fiscal quarter following the

fiscal quarter upon achieving Stable Occupancy [define] with respect to the 2021 Expansion Project] (each, an "Occupancy Quarter"), the Obligated Group will use its best efforts to have Occupied the percentage of the total number of all Independent Living Units in the 2021 Expansion Project (the "Percentage of Units Occupied") at or above the Occupancy Requirements set forth below which levels shall be measured as of the last day of the applicable Occupancy Quarter (the "Occupancy Requirements"):

<u>Fiscal Quarter</u> <u>Ending</u>	<u>Percentage of Available</u> <u>Units Occupied</u>
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If the Percentage of Units Occupied for any Occupancy Quarter is less than the Occupancy Requirement set forth above for that Occupancy Quarter, the Obligated Group Representative shall within thirty (30) days thereafter submit an Officer's Certificate to the Master Trustee setting forth in detail the reasons therefor and the plan to increase the Percentage of Units Occupied to at least the Occupancy Requirement set forth above for future periods (a "Corrective Occupancy Action Plan").

If the Percentage of Units Occupied for any two consecutive Occupancy Quarters is less than the Occupancy Requirement set forth above for those Occupancy Quarters, the Obligated Group Representative shall select a Consultant within forty-five (45) days of the end of such second Fiscal Quarter to make recommendations regarding the actions to be taken to increase the Percentage of Units Occupied to at least the Occupancy Requirement set forth above on the earliest date practicable. Such Consultant shall be approved and retained pursuant to the Master Indenture. Within sixty (60) days after retaining any such Consultant, the Obligated Group Representative shall cause a copy of the Consultant's report and recommendations, if any, to be filed with each Member, the Master Trustee and each Required Information Recipient. Each Member shall follow each recommendation of the Consultant to the extent feasible (as determined in the reasonable judgment of the Governing Body of such Member) and permitted by law. The Obligated Group shall not be required to obtain a Consultant's report more than one time in any six-month period.

Notwithstanding any other provision of the Master Indenture, failure of the Obligated Group to achieve the Occupancy Requirement for any Occupancy Quarter shall not constitute an event of default under the Master Indenture if the Obligated Group takes all action necessary to comply with the procedures set forth above for preparing a Corrective Occupancy Action Plan or obtaining a Consultant's report and adopting a plan and follows each recommendation contained in such report to the extent feasible (as determined in the reasonable judgment of the Governing Body of the Obligated Group Representative) and permitted by law.

The Obligated Group Representative further covenants to include a certification of compliance with the Occupancy Requirement for each quarter within the Officer's Certificate to be delivered after the end of each Fiscal Year pursuant to the Master Trust Indenture.

Admission and Withdrawal of Obligated Group Members. As of the date of issuance of the Series 2021A Bonds, the Obligor and the Foundation are the only Obligated Group Members. Upon compliance with certain conditions set forth in the Master Indenture, additional Obligated Group Members may be added to the Obligated Group and existing Obligated Group Members may withdraw from the Obligated Group. The Obligor the Foundation and each Obligated Group Member that may be admitted in the future will be jointly and severally liable for the payment for all Obligations entitled to the benefits of the Master Indenture and will be subject to the financial and operating covenants thereunder. See APPENDIX D-3 - "Master Indenture" hereto for a description of the conditions and limitations on admission and release of Obligated Group Members (including specifically Article VI of the Master Indenture).

Notwithstanding the conditions and limitations on admission of Obligated Group Members provided in the Master Indenture, the Obligor may establish a single member limited liability company of which it is the sole member or establish one or more corporations that at such time as it becomes a Member of the Obligated Group has

no liabilities, including, without limitation, liabilities or obligations in tort, in contract, at law, in equity or otherwise, into which it may transfer all or a portion of the Mortgaged Property or any other tangible or intangible assets, so long as certain conditions under the Master Indenture are satisfied. Satisfaction of these conditions will result in such Person being added to the Obligated Group. See APPENDIX D-3 - "Master Indenture" hereto for a description of such conditions (including specifically Section 5.01(d) of the Master Indenture). See also "Future Plans - Corporate Reorganization" in APPENDIX A hereto.

Flow of Funds

Flow of Fund; the Entrance Fee Fund. The Master Trustee shall establish and maintain a separate fund to be known as the "Oak Bridge Expansion Entrance Fee Fund" (the "Oak Bridge Expansion Entrance Fee Fund"). All moneys received by the Master Trustee and held in the Oak Bridge Expansion Entrance Fee Fund pursuant to the Master Indenture shall be trust funds under the terms of the Master Indenture for the benefit of all of the Obligations outstanding thereunder (except as otherwise provided) and shall not be subject to lien or attachment of any creditor of any Member of the Obligated Group. The Escrowed Entrance Fees shall be deposited by the Members of the Obligated Group in accordance with the terms of the Entrance Fee Escrow Agreement.

(b) So long as amounts are required to be held in the 75% Entrance Fee Expansion Account pursuant to the Entrance Fee Escrow Agreement and such amounts are not required to be deposited to the credit of the Revenue Fund pursuant to the Master Indenture, the Obligated Group Representative shall transfer, or cause to be transferred, amounts in excess of the 75% Portion to the Master Trustee for deposit to the Oak Bridge Expansion Entrance Fee Fund (any such directions to be provided in writing to the Chapter 651 Escrow Agent with a copy to the Master Trustee) and shall be applied by the Master Trustee within two Business Days of receipt, as follows:

First: Payment to the Bank in repayment of outstanding principal amounts outstanding under the Line of Credit Note until such Line of Credit Note is fully paid and retired;

Second: Payment to the Bondholder to redeem outstanding principal amounts of the Series 2021B Bond pursuant to the [Loan Agreement].

(c) Upon release of the amounts on deposit in the 75% Entrance Fee Expansion Account in accordance with [Section ____] of the Entrance Fee Escrow Agreement, and so long as such amounts are not required to be deposited to the credit of the Revenue Fund pursuant to Section 3.01 of the Master Indenture, the Obligated Group Representative shall transfer, or cause to be transferred all amounts on deposit therein to the Master Trustee for deposit to the Oak Bridge Expansion Entrance Fee Fund (any such directions to be provided in writing to the Chapter 651 Escrow Agent with a copy to the Master Trustee) and shall be applied as provided in the Master Indenture.

(d) After the Series 2021B Bond has been redeemed or otherwise paid in full (as established by an Officer's Certificate of the Obligor delivered to the Master Trustee) and no Event of Default has occurred and is continuing, the Members of the Obligated Group need not deposit any additional moneys into the Oak Bridge Expansion Entrance Fee Fund. Upon the satisfaction of such conditions, any amounts on deposit in the Oak Bridge Expansion Entrance Fee Fund shall be remitted to the Obligor and the Oak Bridge Expansion Entrance Fee Fund shall be closed.

Revenue Fund

If an Event of Default under the Master Indenture occurs due to failure to pay any debt service on any Obligations when due and continues for a period of five days, the Master Trustee will establish a fund to be known as the "Revenue Fund" and each Obligated Group Member will deposit with the Master Trustee all Gross Revenues of such Obligated Group Member (except to the extent otherwise provided by or inconsistent with any instrument creating any mortgage, lien, charge, encumbrance, pledge or other security interest granted, created, assumed, incurred or existing in accordance with the provisions of the Master Indenture) during each succeeding month, beginning on the first day thereof and on each day thereafter, until no payment default under the Master Indenture or in the payment of any other Obligations then exists. At the request of the Master Trustee, upon such Event of

Default, the Obligated Group Representative will enter into a deposit account control agreement for the hereinafter described operating account.

On the fifth Business Day preceding the end of each month in which any Obligated Group Member has made payments to the Master Trustee for deposit into the Revenue Fund, the Master Trustee will withdraw and pay or deposit from the amounts on deposit in the Revenue Fund the following amounts in the order indicated:

FIRST, to the payment of all amounts due to the Master Trustee under the Master Indenture and each Related Bond Trustee under a Related Bond Indenture;

SECOND, to an operating account designated by the Obligated Group Representative (which will be subject to the lien of the Master Indenture), the amount necessary to pay the Expenses due or expected to become due in the month in which such transfer is made, all as set forth in the then-current Annual Budget;

THIRD, to the payment of the amounts then due and unpaid upon the Obligations, other than Obligations constituting Subordinated Indebtedness, for principal (and premium, if any) and interest and any other amounts due under the Obligations, in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Obligations for principal (and premium, if any) and interest and any other amounts due under the Obligations, respectively, and payments due under any Interest Rate Agreement that do not constitute Subordinated Indebtedness;

FOURTH, to restore any deficiency in the Debt Service Reserve Fund or a Related Bonds Debt Service Reserve Fund or Minimum Liquid Reserve Account (in each case, on a pro rata basis based on the principal amount of the Related Bonds outstanding);

FIFTH, to the payment of the amounts then due and unpaid upon the Obligations constituting Subordinated Indebtedness for principal (and premium, if any) and interest and any other amounts due under the Obligations, in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Obligations for principal (and premium, if any) and interest and any other amounts due under the Obligations, respectively;

SIXTH, to the payment of all other amounts due under any Interest Rate Agreement that constitute Subordinated Indebtedness; and

SEVENTH, to the Obligated Group Representative for the benefit of the Obligated Group.

See APPENDIX D-3 - "Master Indenture" hereto (including specifically Section 3.01 of the Master Indenture).

The Mortgage

[Need to describe leasehold mortgage] As additional security for the Obligated Group's obligations under the Master Indenture, including, without limitation, the payment of the Series 2021A Note, the Obligor has entered into the Mortgage, pursuant to which the Obligor has granted to the Master Trustee a first mortgage on the real estate portion of the Community and all personal property used in connection with or arising out of the operation of the Community, together with all leases, rents and profits derived from such property, subject to Permitted Encumbrances (such property subjected to the lien of the Mortgage are referred to herein as the "Mortgaged Property").

Notwithstanding anything to the contrary in the Mortgage, the Master Trustee agrees in the Mortgage that the rights of a resident of the Mortgaged Property under a continuing care contract governed by Chapter 651, Florida Statutes, will be honored and will not be disturbed by a foreclosure or a conveyance in lieu of foreclosure as long as the resident (1) is current in the payment of all monetary obligations required by such continuing care contract; (2) is in compliance and continues to comply with all provisions of the resident's continuing care contract; and (3) has asserted no claim inconsistent with the rights of the Master Trustee.

See APPENDIX D-6 - "Mortgage" hereto and "FLORIDA REGULATION OF CONTINUING CARE FACILITIES - Examinations and Delinquency Proceedings" herein.

The Collateral Assignment

As additional security for the Series 2021A Note, and any other Outstanding Obligations issued under the Master Indenture, including the Series 2021B Note, the Obligor will enter into the Collateral Assignment in order to collaterally assign to the Master Trustee all of its right, title and interest in the Management Agreement.

No Credit Enhancement

There is no credit enhancement facility securing the Issuer's obligations under the Bond Indenture or the Series 2021A Bonds as initially issued, nor is there any requirement that a credit enhancement facility for the Series 2021A Bonds ever be provided.

RISK FACTORS

General Risk Factors

The Series 2021A Bonds are special and limited obligations of the Issuer, payable solely from and secured exclusively by the funds pledged thereto, including the payments to be made by the Obligated Group under the Master Indenture.

An investment in the Series 2021A Bonds involves various risks as described in this Official Statement. Each prospective investor should carefully examine this Official Statement and his or her own financial condition in order to make a judgment as to whether the Series 2021A Bonds are an appropriate investment. **A BONDOWNER IS ADVISED TO READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING THE APPENDICES HERETO, AND REFERENCE IS MADE TO THE SECTION "SECURITY FOR THE SERIES 2021A BONDS" AND THIS SECTION FOR A DISCUSSION OF CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE SERIES 2021A BONDS.**

As described herein under the caption "SECURITY FOR THE SERIES 2021A BONDS," except to the extent that the principal of, premium, if any, and interest on the Series 2021A Bonds may be payable from the proceeds thereof or investment income thereon or, under certain circumstances, proceeds of insurance, sale or condemnation awards or net amounts by recourse to the Mortgaged Property, such principal, premium and interest will be payable solely from amounts paid by the Obligated Group under the Loan Agreement or by the Obligated Group under the Master Indenture, including the Series 2021A Note.

No representation or assurance is given or can be made that revenues will be realized by the Obligated Group (which in the context of this discussion of risk factors, should be understood to include the Obligor and future Members of the Obligated Group, if any) sufficient to ensure the payment of the principal of and interest on the Series 2021A Bonds and the Parity Obligations in the amounts and at the times required to pay debt service on the Series 2021A Bonds and the Parity Obligations when due. Neither the Underwriter nor the Issuer has made any independent investigation of the extent to which any such factors may have an adverse effect on the revenues of the Obligated Group. The ability of the Obligated Group to generate sufficient revenues may be impacted by a number of factors. Some, but not necessarily all, of these risk factors are discussed in this section below; these risk factors should be considered by investors considering any purchase of the Series 2021A Bonds.

Limited Obligations

The Series 2021A Bonds are limited obligation of the Issuer and do not constitute a debt, liability, or obligation of the State, or any political subdivision thereof, or a charge against the general credit of the Issuer or the State or the taxing powers of the State, or any political subdivision thereof. The Issuer shall not be obligated to pay the principal or, premium, if any, or interest on the Series 2021A Bonds except from the income, revenues, and receipts derived or to be derived from the Pledged Revenues. The issuance of the Series 2021A Bonds shall not

directly or indirectly or contingently obligate the Issuer, the State or any political subdivision thereof to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment. The Series 2021A Bonds have three principal sources of payment, as follows:

(1) *Loan payments received by the Bond Trustee from the Obligor pursuant to the terms of the Loan Agreement and the Obligated Group pursuant to the Series 2021A Note.* The Issuer has no obligation to pay the Series 2021A Bonds except from loan payments derived from the Loan Agreement and from the Obligated Group pursuant to the Series 2021A Note. The Series 2021A Bonds, together with interest and premium, if any, thereon, will be limited obligations of the Issuer as described in this Official Statement. Under the Loan Agreement, which the Issuer has assigned to the Bond Trustee, the Obligated Group will be required to make loan payments to the Bond Trustee in amounts sufficient to enable the Bond Trustee to pay the principal of, premium, if any, and interest on the Series 2021A Bonds. Such loan payments are, however, anticipated to be derived solely from operation of the facilities of the Obligated Group and investment earnings. Profitable operation of the facilities of the Obligated Group depend in large part on achieving and maintaining certain occupancy levels at the Community throughout the term of the Series 2021A Bonds. However, no assurance can be made that the revenues derived from the operation of the Community will be realized by the Obligated Group in the amounts necessary, after payment of operating expenses of the facilities of the Obligated Group, to pay maturing principal of, premium, if any, and interest on the Series 2021A Bonds and the Parity Obligations.

(2) *Revenues received from operation of the facilities of the Obligated Group by a receiver upon a default under the Master Indenture or the Bond Indenture.* Attempts to have a receiver appointed to take charge of properties pledged to secure loans are frequently met with defensive measures such as the initiation of protracted litigation and/or the initiation of bankruptcy proceedings, and such defensive measures can prevent the appointment of a receiver or greatly increase the expense and time involved in having a receiver appointed. It is therefore likely that prospects for uninterrupted payment of principal and interest on the Series 2021A Bonds and the Parity Obligations in accordance with their terms are largely dependent upon the source described in (1) above, which is wholly dependent upon the success of the Obligated Group in operating the Community in a profitable manner.

(3) *Proceeds realized from the sale or lease of the facilities of the Obligated Group to a third party by the Bond Trustee or Master Trustee.* Attempts to sell or foreclose on commercial property or otherwise realize upon security for obligations may be met with defensive measures such as protracted litigation and/or bankruptcy proceedings, and that such defensive measures can greatly increase the expense and time involved in achieving such foreclosure or other realization. In addition, the Bond Trustee or Master Trustee could experience difficulty in selling or leasing the Community any other facilities of the Obligated Group upon foreclosure due to the special-purpose nature of a continuing care retirement facility and the proceeds of such sale may not be sufficient to fully pay the owners of the Series 2021A Bonds and the Parity Obligations.

The best prospects for uninterrupted payment of principal and interest on the Series 2021A Bonds in accordance with their terms is the source described in (1) above, which is wholly dependent upon the success of the Obligated Group in operating its facilities in a profitable manner. Even if its facilities are operating profitably, other factors could affect the Obligated Group's ability to make loan payments under the Loan Agreement, the Series 2021A Note and the Parity Obligations.

Caution Regarding Forward-Looking Statements

When used in this Official Statement and in any continuing disclosure by the Obligor, in the Obligor's press releases and in oral statements made with the approval of an authorized representative of the Obligor, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project" or similar expressions are intended to identify "forward looking statements." Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those presently anticipated or projected. The Obligor cautions readers not to place undue reliance on any such forward-looking statements. The Obligor advises readers that certain factors could affect the financial performance of the Obligor and could cause the actual results of the Obligor for future periods to differ materially from any opinions or statements expressed with respect to future periods in any current statements.

COVID-19

[update] The current novel coronavirus ("COVID-19") outbreak, a respiratory disease caused by a new strain of coronavirus, has been declared a pandemic by the World Health Organization and has spread globally, including to the United States of America and the State. On March 9, 2020, the Governor of the State declared a state of emergency, on March 24, 2020, the Governor issued an executive order restricting public gatherings of 10 or more people and urging individuals to work remotely, and on May 1, 2020, the Governor issued an executive order limiting the movements of all persons in Florida and personal interactions outside of the home to only those necessary to obtain essential services or to conduct essential activities and ordering all senior citizens to stay at home and take all measures necessary to limit the risk of exposure to COVID-19. In June, Governor DeSantis ordered that all employees working in assisted living and skilled nursing areas be tested for COVID-19 every two weeks. The COVID-19 outbreak has affected and is expected to continue to affect for the foreseeable future, travel, commerce, businesses, and financial markets globally. The outbreak is a rapidly evolving situation that changes daily.

Although the potential impact of COVID-19 on the Obligated Group's operations or its future operating revenues and expenses cannot be predicted at this time, the continued spread of the outbreak could have a material adverse effect on the Obligated Group's operations and its operating revenues and expenses, and on the State, national, and global economies. For example, an outbreak at the Community could result in a temporary shutdown or diversion of Residents, and/or could result in a lower census, including difficulty showing the common areas and units to prospective Residents.

In accordance with guidance from regulatory agencies and in order to take a proactive approach to maintain the safety and wellness of Residents, the Obligated Group is restricting visitation with Residents at the Community unless medically necessary. All who enter the Community are screened for travel history, physical symptoms of COVID-19, including temperature check, and exposure to known cases of coronavirus. The Obligated Group maintains compliance with the guidelines from the Centers for Disease Control and Prevention, Centers for Medicaid and Medicare Services, and the Florida Department of Health. The Obligated Group is presently providing limited dining service in its dining rooms and is providing limited resident activities, all of which are subject to change. The Obligated Group is presently providing financial assistance to employees who are required to quarantine or have tested positive for COVID-19.

The COVID-19 outbreak has caused the Community to incur additional expenses for personal protective equipment, sanitizing and cleaning supplies, equipment, food changes, to-go boxes, employee compensation, legal advice, and other items. The additional cost per month is difficult to determine, because the Community has stockpiled sanitizing and cleaning supplies, the Community is constantly looking for other items, and the impact on future dining arrangements is uncertain.

There have been numerous reported cases of COVID-19 in the area where the Community is located. To date, there have not been significant impacts on the Community's ability to obtain supplies required for operation of the Community. As of September 25, 2020, there was one resident COVID case at the Community. Existing Residents are strongly urged to stay in their apartments. Residents are not permitted to use the common areas at the Community. When staff enter Residents' apartments, Residents must wear a mask and staff are masked and gowned. The Obligated Group continues to monitor the situation and to abide by federal and State guidelines. Given the nature of the virus, it cannot be predicted whether, and to what extent, residents or staff will test positive for COVID-19 in the upcoming days or weeks.

In general, if an outbreak of an infectious disease such as COVID-19, the Zika virus or the Ebola virus occurs or reoccurs nationally or in the Obligor's service area, its business and financial results would likely be adversely affected. The spread of a highly contagious disease into one of the Obligated Group's facilities may result in a temporary shutdown, diversion of residents, and/or other losses and liabilities. In addition, unaffected individuals may decide to defer or reconsider decisions to enter the Community. The Obligor, as a retirement community, may be particularly susceptible to risk of outbreak due to the relatively close proximity of residents and staff to one another. The Obligor cannot predict all costs associated with any infectious disease outbreak affecting the Community. See Appendix A hereto under the section "FINANCIAL INFORMATION" for additional information about the impact of COVID-19 to the Community.

Financial Feasibility Study

The Financial Feasibility Study is based on certain information and assumptions provided by the Obligor and its agents. Any projection or forecast is subject to uncertainties, and inevitably some assumptions used to develop the Financial Feasibility Study and the financial forecast therein will not be realized, and unanticipated events and circumstances may occur. As stated in the Financial Feasibility Study, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected and those differences may be material. Actual operating results may be affected by many uncontrollable factors, including but not limited to, changes in employee relations, increased taxes or governmental controls, changes in applicable governmental regulation, changes in demographic trends, changes in the expected primary market area, increased competition which may affect occupancy levels, changes in the retirement living and healthcare industries, changes in general economic conditions, changes in management and increased inflation, all of which could result in changes in, or failure to execute, the Obligor's plans as reflected in the forecast and result in increased costs and/or lower than anticipated revenues. Therefore, there are likely to be differences between projected and actual results, and such differences may be material. In addition, the financial forecast prepared by the Obligor and its agents cover a limited period, ending 20██, and consequently do not cover the entire period during which the Series 2021A Bonds will be outstanding. The Financial Feasibility Study should be read in its entirety for a description of and an understanding of the forecast and the underlying assumptions contained therein. None of the Issuer, Bond Counsel, Underwriter (other than the assumed interest rates on the Series 2021A Bonds) or any other party other than the Obligor and the Manager has participated in developing and formulating the assumptions and the disclosures contained in the Financial Feasibility Study. See "CAUTIONARY STATEMENTS REGARDING FORWARD LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT."

Construction Risks

Construction of the Expansion Project is subject to the usual risks associated with construction projects including, but not limited to, delays in issuance of required building permits or other necessary approvals or permits, strikes, labor disputes, shortages of materials and/or labor, transportation delays, restrictions related to endangered species, adverse weather conditions, fire, casualties, acts of God, war, acts of public enemies, terrorism, orders of any kind of federal, state, county, city or local government, insurrections, riots, adverse conditions not reasonably anticipated or other causes beyond the control of the Obligor or its contractors. Such events could result in delayed substantial completion of the Expansion Project.

Management of the Obligor believes that all required building permits for the Expansion Project will be obtained in due course. In addition, the substantial completion and occupancy of the Expansion Project may be extended by reason of changes authorized by the Obligor, delays due to acts or neglect of the Obligor, or by independent contractors employed by the Obligor. Cost overruns could also result in the Obligor not having sufficient money to complete construction of the Expansion Project thereby requiring the Obligor to borrow additional monies or use its funds to complete the construction of the Expansion Project.

The agreement with the construction manager provides for liquidated damages if the Expansion Project is not completed by the date specified as a result of the general contractor's failure to perform, subject to extension under conditions set forth in the construction contract. If the Obligated Group makes claims under the liquidated damages provisions of the construction contract, there can be no assurance that such claims could be collected without litigation. Furthermore, there may be cost increases because of extraordinary events that may not give rise to claims for liquidated damages. [discuss p and p bonds]

It is anticipated that the proceeds from the sale of the Series 2021A Bonds together with anticipated investment earnings thereon and the Bank Bond will be sufficient to complete the construction and equipping of the Expansion Project. Cost overruns for projects of this magnitude may occur due to change orders and other factors. Cost overruns could also result in the Obligor not having sufficient moneys to complete construction of the Expansion Project. If the proceeds of the Series 2021A Bonds, together with anticipated investment earnings, were not sufficient to complete the Expansion Project, the Obligor would have to complete the Expansion Project with financing obtained from other sources that may not be available. The successful construction of the Expansion Project is dependent on the efforts of the construction manager as well as the owner's representative acting on behalf of the Obligor with respect to the Expansion Project.

Furthermore, the construction of the Expansion Project may be delayed as a result of COVID-19. It is possible that State and local regulators may prohibit contractors, construction crew members, and others from entering the site of the Expansion Project for an extended period of time, and the length of any such delay is beyond the control of the Obligor. Given the nature of the virus, it cannot be predicted whether, and to what extent, construction may be delayed.

Construction Consultant Approval of Construction Draws

The ability of the Obligor to receive disbursement from the Construction Fund held under the Bond Indenture and advances from the Holder of the [Bank Bonds] is subject to compliance by the Obligor with various requirements of the Construction Disbursement Agreement and related documents and the approval of such draws by the Construction Consultant pursuant to the Construction Disbursement Agreement. If the conditions to receipt of disbursements are not met, the [Bank] and the Construction Consultant may temporarily suspend construction draws. A temporary suspension of funding might cause delay in completion and related cost overruns. Proceeds remaining in the Construction Fund together with other funds held under the Bond Indenture would not be sufficient to pay the principal of the Series 2021A Bonds upon acceleration.

Title Insurance

The Obligated Group has not secured additional title insurance in connection with the issuance of the Series 2021A Bonds and has only a limited amount of mortgagee title insurance with respect to the Mortgaged Property as described under the caption "SECURITY FOR THE SERIES 2021A BONDS – Security for Series 2021A Bonds." Recovery under a title insurance policy issued to a mortgagee (here, the Master Trustee) is dependent upon a number of factors including, but not limited to, the amount of title insurance purchased relative to the value of the Mortgaged Property (with the current transaction, the current assessed value of the Mortgaged Property substantially exceeds the maximum coverage under the policy), the nature of the title defect, the presence of a payment default under the Obligations and the other terms and conditions of the insurance policy. No assurance can be given that any particular set of circumstances will give rise to any recovery under a title insurance policy. Any proceeds received under such title insurance policy may not be sufficient to cure any title defect or to compensate for any loss of title.

Ground Lease

Pursuant to the Ground Lease, the Obligor is obligated to make [Rent Payments] to _____, pay taxes and insurance premiums and comply with legal ordinances. If the Obligor violates terms of the Ground Lease, subject to certain rights of the Master Trustee under the Leasehold Security Deed, the _____ can declare an event of default. The Ground Lease provides opportunities to cure events of default, but if they are not cured by the Obligor or the Master Trustee (pursuant to the Leasehold Security Deed), and if the Master Trustee does not foreclose on the Leasehold Security Deed, the _____ can terminate the Ground Lease. A termination of the Ground Lease would have an immediate adverse effect on the Obligated Group and the Community and could result in a substantial loss for the Bondholders. See "DEFINITION OF CERTAIN TERMS AND SUMMARIES OF CERTAIN PROVISIONS OF CERTAIN PRINCIPAL DOCUMENTS – GROUND LEASE" in APPENDIX _____ hereto.

General Risks of Long-Term Care Facilities

There are many diverse factors not within the Obligated Group's control that have a substantial bearing on the risks generally incident to the operation of the Community. These factors include regulatory imposed fiscal policies, adverse use of adjacent or neighboring real estate, the ability to maintain the Community, continued community acceptance of the Community, changes in demand for the Community, changes in the number of competing facilities, changes in the costs of operation of the Community, changes in the laws of the State affecting long-term care programs, the limited income of the elderly, changes in the long-term care and health care industries, difficulties in or restrictions on the Obligated Group's ability to raise rates charged, general economic conditions and the availability of working capital. In recent years, a number of long-term care facilities throughout the United States have defaulted on various financing obligations or otherwise have failed to perform as originally expected. There can be no assurance that the Obligated Group will not experience one or more of the adverse factors that

caused other facilities to struggle or fail. Certain other factors that cannot be determined at this time also may adversely affect the operation of facilities like the Community.

New and changing methods of care delivery, such as web-based home monitoring, telemedicine, mobile health, and smartphone technology will likely change the way in which providers of health services to the elderly deliver home health, hospice and other community-based services. These developments will further the ability of the home health and hospice industry to care for patients in their homes. The proliferation and availability of technological changes are expected to increase the ability of the elderly to remain in their homes longer into their lives than has historically been feasible, which could result in significantly reduced demand for communities such as the Community. Efforts to reduce hospital readmissions and costs in the overall care continuum will further the use of these new and changing technologies. These changes may allow other companies, including hospitals and other healthcare organizations that are not currently providing home health and hospice care, to expand their services to include home health services, hospice care or similar services. The Obligated Group may encounter increased competition in the future that could negatively impact patient referrals to it, limit its ability to maintain or increase its market position and adversely affect the Obligated Group's financial performance.

Reliance on the Manager

The Obligor has entered into a Management Agreement, with the Manager to provide management of the operations of the Community. The successful operation of the Community is heavily dependent upon the efforts of the Manager. The Obligor has contracted with the Manager for marketing and day-to-day management and operation of the Community. The Obligor does not currently have the capacity to duplicate the services offered by the Manager. If the Obligor were to terminate its relationship with the Manager, the Obligor would need to hire and train a management team for the Community or contract for similar services at equivalent rates with other companies. In addition, the current term of the Management Agreement is for a five-year period commencing no later than twelve months prior to the first day of schedule occupancy of the Community. There can be no assurance that the Obligor will renew the agreement or, if it does renew the agreement, that the terms of the renewed agreement will be favorable.

[Reputation of Sawgrass]

[Needed?]

Termination of Reservation Agreements without Penalty

As of _____, the Obligor has entered into Reservation Agreements for _____ [Independent Living Units] with prospective residents, or _____% of the 170 available Independent Living Units. Prospective residents have paid a refundable deposit equal to 10% of the applicable Entrance Fee. If a prospective new applicant states an intention not to enter into a Residence & Care Agreement or fails to enter into a Residence & Care Agreement within 14 days after the issuance of a certificate of occupancy for the applicant's residence, the Obligor may terminate the Reservation Agreement, in which case the Obligor will refund the applicant's deposit, less a \$500 cancellation fee. Accordingly, there is little or no financial incentive to prospective residents who decide not to occupy their Independent Living Unit after completion of construction of the Project. A substantial number of terminations of existing or future Reservation Agreements could adversely affect the fill-up of the Community, which is one of the more significant assumptions underlying management's forecast in the Financial Feasibility Study. [Update]

Uncertainty of Occupancy and Entrance and Service Fee Collection

As noted elsewhere, except to the extent that the Series 2021A Bonds will be payable from the proceeds of insurance, sale or condemnation awards, the Series 2021A Bonds will be payable solely from payments or prepayments to be made by the Obligor under the Loan Agreement and the Obligated Group under the Series 2021A Note. The ability of the Obligor to make payments under the Loan Agreement and the ability of the Obligated Group, including any future Members of the Obligated Group, to make payments on the Series 2021A Note and

other Outstanding Obligations is dependent upon the generation by the Obligated Group of revenues in the amounts necessary for the Obligated Group to pay such Obligations, as well as other operating and capital expenses.

The financial feasibility of the Community and payment, when due, of the Series 2021A Bonds and the Parity Obligations, is dependent on the continuing ability of the Obligated Group to maintain high levels of occupancy of the Community and to (i) fill those facilities that accept residents who purchase the right to live there by paying Entrance Fees, (ii) collect new Entrance Fees from residents occupying apartment units vacated by deceased residents, residents permanently transferred to assisted living or nursing care facilities operated by the Obligated Group or residents leaving such facilities for other reasons, and (iii) keep the Facilities substantially occupied by residents who can pay the full amount of the Entrance Fees and/or Monthly Service Fees (as defined in Appendix A hereto). This depends to some extent on factors outside the Obligated Group's control, such as the residents' right to terminate their continuing care contracts with the Obligor (each a "Residency Agreement") in accordance with the terms of the Residency Agreements and by general economic conditions. In particular, a depressed housing market may prevent prospective residents from selling their homes and generating cash to pay Entrance Fees. If the Community fails to maintain a high level of occupancy, there may be insufficient funds to pay debt service on the Series 2021A Bonds and the Parity Obligations. In addition, the economic feasibility of the Community also depends on the Obligated Group's ability to remarket units becoming available when residents decease, withdraw, or are permanently transferred to a health care facility or any other facility.

Moreover, if a substantial number of independent living unit residents live beyond their anticipated life expectancies or if admissions or transfers to the health care components of the Community are substantially less than anticipated by the Obligated Group, or if market conditions or market changes prevent an increase in the amount of the resident Entrance Fees payable by new residents of the Community or the Monthly Service Fees payable by all residents, the receipt of additional resident Entrance Fees and/or Monthly Service Fees would be curtailed or limited, with a consequent impairment of the Obligated Group's revenues. Such impairment would also result if the Obligated Group is unable to remarket independent living units becoming available when residents die, withdraw, or are permanently transferred to the health care components of the Community.

As described in Appendix A hereto, the Obligated Group has historically made regular adjustments to both Entrance Fees and Monthly Service Fees to offset increasing operating costs due primarily to inflation. There can be no assurance that such increases will continue or that increases in expenses will not be greater than any such future rate increase. Also, since many of the residents may be living on fixed incomes or incomes that do not readily change in response to changes in economic conditions, there can be no assurance that any such Entrance Fee or Monthly Service Fee increases can be paid by residents or that such increases will not adversely affect the occupancy of the Community. It is possible that residents who unexpectedly become unable to make such payments would be allowed to remain residents, even though the costs of caring for them could have an adverse effect on the financial condition of the Obligated Group. As a charitable tax-exempt organization, the Obligated Group may be unable or unwilling to require residents who lack adequate financial resources to leave the Community. In the future, the Obligated Group could possibly be required to accept residents unable to pay all Entrance Fees or Monthly Service Fees or be required to provide services to a certain number of indigent persons unable to pay any fees, in order to maintain its tax-exempt status.

The Entrance Fees and Monthly Service Fees for the Community are described in Appendix A hereto. As set forth therein, the Obligated Group has set such fees based on, among other things, anticipated revenue needs and analysis of the market areas. If actual operating experience is substantially different from that anticipated, the revenues of the Obligated Group could be less than expenses. Should methods of payment other than Entrance Fees, including straight rental, become prevalent as the form of payment for elderly housing, the ability to charge resident Entrance Fees to potential future residents may decrease. If this should happen, the Obligated Group may be forced to alter its method of charging for elderly housing services and could encounter operational difficulties.

Accounting Changes

From time to time, accounting policies and procedures change based upon mandatory authoritative guidance updates to generally accepted accounting principles in the United States of America ("GAAP"). The Master Indenture provides that the character or amount of any asset, liability or item of income or expense required to be determined or any consolidation, combination or other accounting computation required to be made for the

purposes of the Master Indenture, shall be determined or made in accordance with GAAP in effect on the date of the Master Indenture, or at the option of the Obligated Group, at the time in effect (provided that such GAAP are applied consistently with the requirements existing either on the date of the Master Indenture or at the time in effect) except where such principles are inconsistent with the requirements of the Master Indenture.

The Mortgage

[add discussion about leasehold mortgage] The Obligated Group has delivered the Mortgage on the Mortgaged Property to the Master Trustee to secure its obligations pursuant to the Master Indenture. In the event that there is a default under the Master Indenture, the Master Trustee has the right to foreclose on the Mortgaged Property under certain circumstances.

All amounts collected upon foreclosure of the Mortgaged Property pursuant to the Mortgage will be used to pay certain costs and expenses incurred by, or otherwise related to, the foreclosure, the performance of the Master Trustee and/or the beneficiary under the Mortgage, and then to pay amounts owing under the Master Indenture in accordance with the provisions of the Master Indenture. See also "Master Indenture" in Appendix C hereto.

In the event that the Mortgage is actually foreclosed, then, in addition to the customary costs and expenses of operating and maintaining the Community, the party or parties succeeding to the interest of the Obligated Group in the Mortgaged Property (including the Master Trustee, if such party were to acquire the interest of the Obligated Group in the Mortgaged Property) could be required to bear certain associated costs and expenses, which could include: the cost of complying with federal, state or other laws, ordinances and regulations related to the removal or remediation of certain hazardous or toxic substances; the cost of complying with laws, ordinances and regulations related to health and safety, and the continued use and occupancy of the Community, such as the Americans with Disabilities Act; costs associated with the potential reconstruction or repair of the Mortgaged Property in the event of any casualty or condemnation.

The Community is generally suitable only for residential use and are designed for senior adults and are not composed of general purpose buildings; therefore, the Community would not be likely suitable for industrial or commercial use and consequently, it would be difficult to find a buyer or lessee for the Community, and, upon any default, the Master Trustee may not realize the amount of the outstanding Bonds from the sale or lease of the Facilities in the event of foreclosure. See also "FLORIDA REGULATION OF CONTINUING CARE FACILITIES" for a discussion of the rights of residents in the event of foreclosure.

Any valuation of the Community is based on future projections of income, expenses, capitalization rates, and the availability of the partial or total property tax exemption. The Obligor has not secured an appraisal in connection with the issuance of the Series 2021A Bonds and makes no representation as to the current or future value of the Mortgaged Property. Additionally, the value of the Community will at all times be dependent upon many factors beyond the control of the Obligated Group, such as changes in general and local economic conditions, changes in the supply of or demand for competing properties in the same locality, and changes in real estate and zoning laws or other regulatory restrictions. A material change in any of these factors could materially change the value of the Community. Any weakened market condition may also depress the value of the Community. Any reduction in the market value of the Community could adversely affect the security available to the owner of the Community. There is no assurance that the amount available upon foreclosure of the Community after the payment of foreclosure costs will be sufficient to pay the amounts owing by the Obligated Group on the Series 2021A Note and other outstanding Parity Obligations.

In the event of foreclosure, a prospective purchaser of the Mortgaged Property may assign less value to the Mortgaged Property than the value of the Mortgaged Property while owned by the Obligated Group since such purchaser may not enjoy the favorable financing rates associated with the Series 2021A Bonds and other benefits. To the extent that buyers whose income is not tax-exempt may be willing to pay less for the Mortgaged Property than nonprofit buyers, then the resale of the Mortgaged Property after foreclosure may require more time to solicit nonprofit buyers interested in assuming the financing now applicable to the Mortgaged Property. In addition, there can be no assurance that the Mortgaged Property could be sold at 100% of its fair market value in the event of foreclosure. Although the Master Trustee will have available the remedy of foreclosure of the Mortgage in the event of a default (after giving effect to any applicable grace periods, and subject to any legal rights which may operate to

delay or stay such foreclosure, such as may be applicable in the event of the Obligated Group's bankruptcy), there are substantial risks that the exercise of such a remedy will not result in recovery of sufficient funds to satisfy all the Obligated Group's obligations.

Liquidation of Security May Not be Sufficient in the Event of a Default

The Bond Trustee and the Issuer must look solely to the Gross Revenues, the Mortgaged Property and any funds held under the Bond Indenture and the Master Indenture to pay and satisfy the Series 2021A Bonds in accordance with their terms. The owners of the Series 2021A Bonds are dependent upon the success of the Community and the value of the assets of the Obligated Group for the payment of the principal of, redemption price, if any and interest on, the Series 2021A Bonds. The Obligated Group has not made any representations to owners of the Series 2021A Bonds regarding the current market value of the Community and has not secured an appraisal in connection with the issuance of the Series 2021A Bonds. In the event of a default, the value of the Community may be less than the amount of the outstanding Bonds, since the Community exists for the narrow use as a CCRC. The special design features of a CCRC and the continuing rights of residents under continuing care and lease agreements may make it difficult to convert the Community to other uses, which may have the effect of reducing their attractiveness to potential purchasers.

Limited Assets of the Obligated Group

The Obligor is the sole member of the Obligated Group and the sole business of the Obligated Group consists of the ownership and operation of the Community. Although it may seek donations from groups and individuals, the Obligor currently has no sources of funds if revenues from operation of the Community are not sufficient to cover expenses, including debt service on the Series 2021A Bonds, the Series 2021A Note, and its other indebtedness.

Utilization Demand

Several factors could, if implemented, affect demand for services provided at the Community including: (i) efforts by insurers and governmental agencies to reduce utilization of skilled nursing home and long-term care facilities by such means as preventive medicine and home health care programs; (ii) advances in scientific and medical technology; (iii) a decline in the population, a change in the age composition of the population or a decline in the economic conditions of the service areas for the Community; and (iv) increased or more effective competition from retirement communities and long-term care facilities now or hereafter located in the service areas of the Community.

Potential Refund of Entrance Fees

Under certain circumstances, the Obligated Group is obligated to refund all or a portion of a resident's Entrance Fee upon the resident's departure from the Facilities. The payment of such refunds could adversely affect the Obligated Group's ability to make payments required by the Loan Agreement, the Series 2021A Bonds, the Series 2021A Note and the Parity Obligations. For more information regarding the Obligated Group's policies and procedures regarding deposits and Entrance Fees, see Appendix A hereto.

Discounting of Entrance Fees

The Obligated Group may feel compelled to offer discounts to Entrance Fees in the future to achieve desired levels of occupancy of the Community. Discounting of Entrance Fees could significantly affect the cash flow of the Obligated Group and have a material adverse effect on the ability of the Obligated Group to make to make payments required by the Loan Agreement, the Series 2021A Bonds, the Series 2021A Note and the Parity Obligations.

Financial Assistance and Obligation to Residents

The Obligated Group only intends to enter into Residency Agreements with residents who it judges to be creditworthy. The Obligated Group intends to provide, but does not guarantee, financial assistance to residents unable to pay Monthly Service Fees by reasons of circumstances beyond their control. The Obligated Group, as organizations described in Section 501(c)(3) of the Code (an "Exempt Organization"), is required by applicable laws relating to its status as an Exempt Organization to maintain a policy of generally not requiring residents to leave the Community because of the inability to pay, and the Obligated Group has such a policy. Such requirement and policy may require the Obligated Group in the future to provide increased financial assistance or absorb greater operating losses. There may be circumstances, however, under which the requirements for greater financial assistance may have a material adverse effect on the financial condition of the Obligated Group and any future Members of the Obligated Group that qualify as Exempt Organizations.

Nature of Income and Assets of the Elderly

A large percentage of the monthly income of the residents of the Community is expected to be fixed in amount, consisting of income derived from savings, pensions, investments and Social Security payments. If, due to inflation or otherwise, substantial increases in Monthly Service Fees are required to cover increases in operating costs and other expenses, residents may have difficulty paying or may be unable to pay increased fees. In addition, some residents may need to liquidate assets, such as by selling a home, to pay the required fees. The Obligated Group's inability to collect from residents the full amount of their payment obligations, either when due or at all, may jeopardize the ability of the Obligated Group to pay amounts due under the Loan Agreement, the Series 2021A Note and the Parity Obligations.

Sale of Homes

The number of persons who can afford payment of the substantial Entrance Fees and Monthly Service Fees may be affected by general economic conditions. It is anticipated that a substantial number of existing and potential applicants for residency in the Community will expect to pay the Entrance Fees from the proceeds of the sale of a residence. Nationwide, and particularly in Florida, there previously had been a substantial reduction in residential sales volume, a reduction in residential sales prices and residential mortgage loans generally had become less available. While housing prices and sales volume in Florida have stabilized and shown recent improvement, if there is another reduction or stagnation in residential sales volume or if mortgage loans remain difficult to secure or if such loans are available only at interest rates that prospective home purchasers are unwilling to pay, or should there be any material adverse conditions in the residential housing market, such applicants might be unable to sell their homes at acceptable financial terms, and in such event may choose not to establish residence at the Community.

Risks of Real Estate Investment

Ownership and operation of real estate, such as the Community, involves certain risks, including the risk of adverse changes in general economic and local conditions (such as the possible future oversupply and lagging demand for rental housing for the aged), adverse use of adjacent or neighboring real estate, continued community acceptance of the Community, increased competition from other senior living facilities, changes in the cost of operation of the Community, difficulties or restrictions in the Obligated Group's ability to raise rents charged, damage caused by adverse weather, climate change and delays in repairing such damage, population decreases, uninsured losses, failure of residents to pay rent, operating deficits and mortgage foreclosure, lack of attractiveness of the Community to residents, deterioration of the physical aspects of the Community, adverse changes in neighborhood values, and adverse changes in zoning laws, federal and local rent controls, other laws and regulations and real property tax rates. The Obligor has not secured a physical needs report for the Community in connection with the issuance of the Series 2021A Bonds. Such losses also include the possibility of fire or other casualty or condemnation. If the Community, or any parts of the Community, become uninhabitable, such as during restoration after damage or destruction, the residence units or common areas affected may not be available for a period of time, which could adversely affect the ability of the Obligated Group to generate sufficient revenues to make the payments required by the Loan Agreement, the Series 2021A Bonds and the Series 2021A Note and Parity Obligations. Changes in general or local economic conditions and changes in interest rates and the availability of mortgage funding may render the sale or refinancing of the Community difficult or unattractive. These conditions

may have an adverse effect on the demand for the services provided by the Community as well as the market price received for the Community in the event of a sale or foreclosure of the Community. Many other factors may adversely affect the operation of the Community and cannot be determined at this time.

Factors Affecting Real Estate Taxes

In recent years various state and local legislative, regulatory and judicial bodies have reviewed the exemption of non-profit corporations from real estate taxes. Various state and local government bodies have challenged with increasing frequency and success the tax-exempt status of such institutions and have sought to remove the exemption of property from real estate taxes of part or all of the property of various non-profit institutions on the grounds that a portion of such property was not being used to further the charitable purposes of the institution. Several of these disputes have been determined in favor of the taxing authorities or have resulted in settlements.

The nursing beds (but not assisted living or independent living) owned and operated by the Obligated Group are currently exempt from the payment of property taxes. There can be no assurance that future changes in the laws and regulations of state or local governments will not materially and adversely affect the operation and revenues of the Obligated Group by requiring the Obligated Group to pay real estate taxes for such portions of the Community owned and operated by the Obligated Group.

Competition

The Community is located in areas where other continuing care retirement facilities and other competitive facilities exist and may be developed in the future. The Community may also face additional competition in the future as a result of changing demographic conditions and the construction of new, or the renovation or expansion of existing continuing care facilities in the geographic areas served by the Community. The Obligated Group will also face competition from other forms of retirement living, including condominiums, apartment buildings and facilities not specifically designed for the elderly, some of which may be designed to offer similar facilities but not necessarily similar services, at lower prices. In addition, there are few entry barriers to future competitors because competing facilities generally do not require a certificate of need approval for independent living facilities, although continuing care facilities would be required to obtain a Certificate of Authority from the Office of Insurance Regulation of the State. All of these factors combine to make the elderly housing industry volatile and subject to material change that cannot be currently predicted. For more information regarding the Obligated Group's competition, see Appendix A hereto under the Section "Competition."

Rights of Residents

The Obligor enters into Residency Agreements with its residents. For more information about the Residency Agreements, see Appendix A hereto. Although the Residency Agreements give to each resident a contractual right to use space and not any ownership rights in the Community, in the event that the Bond Trustee or the holders of the Series 2021A Bonds seek to enforce any of the remedies provided by the Bond Indenture upon the occurrence of a default or the Master Trustee seeks to enforce remedies under the Mortgage or the Master Indenture, it is impossible to predict the resolution that a court might make of competing claims among the Master Trustee, the Bond Trustee, the Issuer or the holders of the Series 2021A Bonds and a resident of the Community who has fully complied with all the terms and conditions of his or her Residency Agreement.

Regulation of Residency Agreements

As described herein under "FLORIDA REGULATION OF CONTINUING CARE FACILITIES," Chapter 651 requires every continuing care facility to maintain a certificate of authority from the Office of Insurance Regulation in order to operate. The Obligor has received final certificates of authority for the Community. If the Obligated Group fails to comply with the requirements of Chapter 651, it would be subject to sanctions including the possible revocation of certificates of authority for the Community. The certificate of authority may be revoked if certain grounds exist including, among others, failure by the provider to continue to meet the requirement for the certificate of authority originally granted, on account of deficiency of assets, failure of the provider to maintain

escrow accounts or funds required by Chapter 651 and failure by the provider to honor its residency agreements, like the Residency Agreements, with residents. Under certain circumstances the Office of Insurance Regulation may petition for an appropriate court order for rehabilitation, liquidation, conservation, reorganization, seizure or summary proceedings. If the Office of Insurance Regulation has been appointed a receiver of a continuing care facility, it may petition a court to enjoin a secured creditor of a facility from seeking to dispose of the collateral securing its debt for a period of up to 12 months.

Organized Resident Activity

The Obligated Group may, from time to time, be subject to pressure from organized groups of residents seeking, among other things, to raise the level of services or to maintain the level of Monthly Service Fees with respect to the Community or other charges without increase. Moreover, the Obligated Group may be subject to conflicting pressures from different groups of residents, some of whom may seek an increase in the level of services while others wish to hold down Monthly Service Fees and other charges. No assurance can be given that the Obligated Group will be able satisfactorily to meet the needs of such resident groups and that such activity would not adversely impact occupancy.

Staffing

Management of the Obligor believes that its salary and benefits package is competitive with other comparable institutions in the respective areas in which the Obligor operates and that its employee relations are satisfactory. The health care industry has, at times, experienced a shortage of qualified nursing and other health care personnel. In addition, at times, markets for other staffing, such as housekeepers and maintenance staff can be competitive and result in staffing scarcity or increases compensation and benefits expense. The Obligor competes with other health care providers and with non-health care providers for both professional and nonprofessional employees. While the Obligor has been able to retain the services of an adequate number of qualified personnel to staff the Community appropriately and maintain its standards of quality care, there can be no assurance that personnel shortages will not in the future affect its ability to attract and maintain an adequate staff of qualified health care personnel and could force the Obligor to employ temporary staff through employment agencies. A lack of qualified personnel could result in significant increases in labor costs or otherwise adversely affect its operating results.

Increases of Costs

The cost of providing health care services may increase due to many reasons, including increases in salaries paid to nurses and other health care personnel and due to shortages in such personnel that many require the use of employment agencies. Additionally, recent changes to federal wage and labor laws will likely impact the Obligated Group. The current COVID-19 pandemic has recently increased certain medical and operating costs.

Labor Union Activity

Certain residential care facilities are being subjected to increasing union organizational efforts. Employees of the Obligated Group are not presently subject to any collective bargaining agreements. There can be no assurance, however, that such employees will not seek to establish collective bargaining agreements with the Obligated Group, and if so established, such collective bargaining agreements could result in significantly increased labor costs to the Obligated Group and have an adverse effect on the financial condition of the Obligated Group.

Natural Disasters

Florida has suffered from natural disasters over the years, including hurricanes, droughts, flooding, seepage, windstorm, wildfire, ground subsidence, sinkholes, radon, gas exposures and other geological changes. While the Obligated Group believes that it maintains adequate insurance to cover any loss arising from such natural disasters, there can be no assurance that in severe circumstances such insurance will be adequate to rebuild all or a portion of the Community. Additionally, there can be no assurance that after experiences with natural disasters,

residents will continue to choose to live in such areas of the country. Such decisions could have an adverse impact on the financial success of the Obligated Group.

Cybersecurity

The Obligated Group relies on computer systems and technologies to conduct many of their operations. Despite security measures, policies and training, they may be vulnerable to attacks by outside or internal hackers, or breached by employee error, negligence or malfeasance. Any such breach or attack could compromise systems and the information stored thereon. Any such disruption or other loss of information could result in a disruption in the efficiency of the services provided by the Obligated Group, thereby adversely affecting revenues. Recently, the Obligor was party to a cyber-security issue in which one of their vendor email systems was breached. As a result of this breach, the Obligor received an email request to change vendor information and to remit payment on an open invoice to a new bank account. The Obligor processed this request and submitted payment and wired money to a fraudulent vendor's bank account without verifying the updated information with the vendor. The issue was later discovered by management and it was determined the error was due to a lack of established vendor management change policies. The Obligated Group has since installed and presently maintains security measures designed to deter cyber-attacks, but no assurances can be given that these security measures will successfully prevent all cyber-attacks.

Malpractice Claims and Losses

The Obligated Group has covenanted in the Master Indenture to maintain professional liability insurance. The operations of the Obligated Group may be affected by increases in the incidence of malpractice lawsuits against elder care facilities and care providers in general and by increases in the dollar amount of client damage recoveries. These may result in increased insurance premiums and an increased difficulty in obtaining malpractice insurance. It is not possible at this time to determine either the extent to which malpractice coverage will continue to be available to the Obligated Group or the premiums at which such coverage can be obtained.

Insurance and Legal Proceedings

The Master Indenture requires the Obligated Group to carry certain insurance, including malpractice insurance. Uninsured claims and increases in insurance premiums, or the unavailability of insurance, could, to the extent not covered by increased revenues, adversely affect the financial condition of the Obligated Group.

In recent years, the number of professional and general liability suits and the dollar amounts of damage recoveries have increased nationwide, resulting in substantial increases in professional and general liability insurance premiums and, at times, in difficulty obtaining such insurance. Professional liability, elder abuse and other actions alleging wrongful conduct and seeking punitive damages often are filed against health care and senior care providers such as the Obligor. Insurance does not provide coverage for judgments for punitive damages and may not provide coverage for allegations of elder abuse. Litigation may also arise from the corporate and business activities of the Obligor and from the Obligor's status as an employer. As with professional liability, many of these risks are covered by insurance, but some are not. It is not possible at this time to determine either the extent to which malpractice coverage will continue to be available to the Obligor or the premiums at which such coverage can be obtained.

While the Obligated Group is required by the Master Indenture to have in effect at all times comprehensive general liability insurance providing insurance against liability for personal and bodily injury including death resulting therefrom, if a claim or judgment against a member of the Obligated Group for an amount in excess of the limits of such insurance were to arise, it would likely have a material adverse effect on the financial results of the Obligated Group. In addition, the Obligated Group's insurance policies must be renewed periodically. Because the increased litigation in the retirement and nursing care business has resulted in increased insurance premiums and an increased difficulty in obtaining insurance at reasonable rates, there can be no assurance that insurance coverage will continue to be available to the Obligated Group at reasonable premiums, if at all.

Availability of Remedies

The remedies available to the Bond Trustee, the Master Trustee and the owners of the Series 2021A Bonds upon an event of default under the Bond Indenture and the Master Indenture are in many respects dependent upon judicial actions that are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including, specifically, the United States Bankruptcy Code, the remedies provided in the Bond Indenture and the Master Indenture may not be readily available or may be limited. The legal opinion delivered by counsel to the Obligated Group to be delivered concurrently with the delivery of the Series 2021A Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principals of equity and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors' generally and laws relating to fraudulent conveyances.

Bankruptcy

If one or more Members of the Obligated Group were to file a petition for relief under the United States Bankruptcy Code, its revenues and certain of its accounts receivable and other property acquired after the filing (and under certain conditions some or all thereof acquired within 120 days prior to the filing) would not be subject to the security interests created under the Master Indenture. The filing would operate as an automatic stay of the commencement or continuation of any judicial or other proceeding against such Member or Members of the Obligated Group and its property and as an automatic stay of any act or proceeding to enforce a lien upon its property. If the bankruptcy court so ordered, the property, including accounts receivable and proceeds thereof, of such Member or Members could be used for the benefit of the Obligated Group despite the security interest of the Master Trustee therein, provided that "adequate protection" is given to the lienholder.

In a bankruptcy proceeding, the petitioner could file a plan for the adjustment of its debts which modifies the rights of creditors generally, or any class of creditors, secured or unsecured. The plan, when confirmed by the court, binds all creditors who had notice or knowledge of the plan and discharges all claims against the debtor provided for in the plan. No plan may be confirmed unless, among other conditions, the plan is in the best interests of creditors, is feasible and has been accepted by each class of claims impaired thereunder. Each class of claims has accepted the plan if at least two-thirds in dollar amount and more than one-half in number of the allowed claims of the class that are voted with respect to the plan are cast in its favor. Even if the plan is not so accepted, it may be confirmed if the court finds that the plan is fair and equitable with respect to each class of non-accepting creditors impaired thereunder and does not discriminate unfairly in favor of junior creditors. Certain judicial decisions have cast doubt upon the right of a trustee, in the event of a health care facility's bankruptcy, to collect and retain for the benefit of bondholder's portions of revenues consisting of Medicare and other governmental receivables.

On April 20, 2005, the Health Care Bankruptcy Bill was enacted (the "Health Care Bankruptcy Act"). The stated goal of the Health Care Bankruptcy Act was to encourage health care companies to consider the patients' rights and interests when administering their bankruptcy cases related to (1) disposal of patient records, (2) transferring patients to new facilities, (3) appointment of a patient ombudsman, and (4) exclusions of a debtor from Medicare and other federal health care programs.

In the event of bankruptcy of one or more Members of the Obligated Group, there is no assurance that certain covenants, including tax covenants, contained in the Bond Indenture, the Loan Agreement, the Master Indenture and certain other documents would survive. Accordingly, the Obligated Group, as debtor in possession, or a bankruptcy trustee could take action that would adversely affect the exclusion of interest on the Series 2021A Bonds from gross income of the Owners for federal income tax purposes.

Additions to and Withdrawals from the Obligated Group

Upon satisfaction of certain conditions in the Master Indenture, other entities can become Members of the Obligated Group and existing Members may withdraw from the Obligated Group; provided that the Master Indenture prohibits the Obligor from withdrawing from the Obligated Group. See also "Master Indenture" in Appendix C hereto. Management of the Obligated Group currently has no plans to add additional Members to the Obligated Group. However, if and when new Members are added, or one or more Members withdraw, the Obligated Group's financial situation and operations will likely be altered.

Third-Party Payments and Managed Care

In the environment of increasing managed care, the Obligated Group can expect additional challenges in maintaining its resident population and attendant revenues. Third-party payors, such as health maintenance organizations, direct their subscribers to providers who have agreed to accept discounted rates or reduced per diem charges. Continuing care retirement communities are less sensitive to this directed utilization than stand-alone skilled nursing facilities; however, the risk may increase, and the Obligated Group may be required to accept residents under such conditions should managed care cost reduction measures now pervasive in the health care industry continue to grow.

Additional Indebtedness

The Master Indenture permits the Obligated Group to incur Additional Indebtedness which may be secured *pari passu* with the Series 2021A Note and the Parity Obligations. Any such Additional Indebtedness would be entitled to share ratably with the holders of the Series 2021A Note and the holders of Parity Obligations in any moneys realized from the exercise of remedies in the event of a default under the Master Indenture. The issuance of such Additional Indebtedness could reduce the Long-Term Debt Service Coverage Ratio and could impair the ability of the Obligated Group to maintain its compliance with certain covenants described in the Master Indenture. There is no assurance that, despite compliance with the conditions upon which such Additional Indebtedness may be incurred at the time such debt is created, the ability of the Obligated Group to make the necessary payments to repay the Series 2021A Note and the Parity Obligations may not be materially adversely affected upon the incurrence of Additional Indebtedness. At the time of the issuance of the Series 2021A Bonds, the Series 2021A Note will constitute approximately [REDACTED] % of the Obligated Group's Outstanding Parity Obligations. See "ANNUAL DEBT SERVICE REQUIREMENTS" herein. See also "FINANCIAL INFORMATION – Prior Bonds" in Appendix A hereto.

Certain Matters Relating to Enforceability of the Master Indenture

The obligations of the Obligated Group and any future Member of the Obligated Group under the Series 2021A Note will be limited to the same extent as the obligations of debtors typically are affected by bankruptcy, insolvency and the application of general principles of creditors' rights and as additionally described below.

The accounts of the Obligated Group and any future Member of the Obligated Group will be consolidated for financial reporting purposes and will be used in determining whether various covenants and tests contained in the Master Indenture (including tests relating to the incurrence of Additional Indebtedness) are met, notwithstanding the uncertainties as to the enforceability of certain obligations of the Obligated Group contained in the Master Indenture which bear on the availability of the assets and revenues of the Obligated Group to pay debt service on Obligations, including the Series 2021A Note pledged under the related Bond Indenture as security for the related series of Bonds.

The obligations described herein of the Obligated Group to make payments of debt service on Obligations issued under the Master Indenture (including transfers in connection with voluntary dissolution or liquidation) may not be enforceable to the extent (1) enforceability may be limited by applicable bankruptcy, moratorium, reorganization or similar laws affecting the enforcement of creditors' rights and by general equitable principles and (2) such payments (i) are requested with respect to payments on any Obligations issued by a Member other than the Member from which such payment is requested, issued for a purpose which is not consistent with the charitable purposes of the Member of the Obligated Group from which such payment is requested or issued for the benefit of a Member of the Obligated Group which is not a Tax-Exempt Organization; (ii) are requested to be made from any moneys or assets which are donor-restricted or which are subject to a direct or express trust which does not permit the use of such moneys or assets for such a payment; (iii) would result in the cessation or discontinuation of any material portion of the health care or related services previously provided by the Member of the Obligated Group from which such payment is requested; or (iv) are requested to be made pursuant to any loan violating applicable usury laws. The extent to which the assets of any future Member of the Obligated Group may fall within the categories (ii) and (iii) above with respect to the Obligations cannot now be determined. The amount of such assets which could fall within such categories could be substantial.

A Member of the Obligated Group may not be required to make any payment on any Obligation, or portion thereof, the proceeds of which were not loaned or otherwise disbursed to such Member of the Obligated Group to the extent that such payment would render such Member of the Obligated Group insolvent or which would conflict with or not be permitted by or which is subject to recovery for the benefit of other creditors of such Member of the Obligated Group under applicable laws. There is no clear precedent in the law as to whether such payments from a Member of the Obligated Group in order to pay debt service on the Series 2021A Note may be voided by a trustee in bankruptcy in the event of bankruptcy of a Member of the Obligated Group, or by third-party creditors in an action brought pursuant to Florida fraudulent conveyance statutes. Under the United States Bankruptcy Code, a trustee in bankruptcy and, under Florida fraudulent conveyance statutes and common law, a creditor of a related guarantor, may avoid any obligation incurred by a related guarantor if, among other bases therefor, (1) the guarantor has not received fair consideration or reasonably equivalent value in exchange for the guaranty and (2) the guaranty renders the guarantor insolvent, as defined in the United States Bankruptcy Code or Florida fraudulent conveyance statutes, or the guarantor is undercapitalized.

Application by courts of the tests of "insolvency," "reasonably equivalent value" and "fair consideration" has resulted in a conflicting body of case law. It is possible that, in an action to force a Member of the Obligated Group to pay debt service on an Obligation for which it was not the direct beneficiary, a court might not enforce such a payment in the event it is determined that such Member is analogous to a guarantor of the debt of the Obligated Group who directly benefited from the borrowing and that sufficient consideration for such Member's guaranty was not received and that the incurrence of such Obligation has rendered or will render the such Member insolvent.

Pursuant to the Master Indenture, each Member of the Obligated Group that pledges its Gross Revenues under the Master Indenture covenants and agrees that, if an Event of Default involving a failure to pay any installment of interest or principal on an Obligation should occur and be continuing, it will deposit daily the proceeds of its Gross Revenues. Such deposits will continue daily until such default is cured.

It is unclear whether the covenant to deposit the proceeds of Gross Revenues with the Master Trustee is enforceable. In light of the foregoing and of questions as to limitations on the effectiveness of the security interest granted in such Gross Revenues, as described above, no opinion will be expressed by counsel to the Obligor as to enforceability of such covenant with respect to the required deposits.

Limitations on Security Interest in Gross Revenues

The effectiveness of the security interest in the Obligated Group's Gross Revenues granted in the Master Indenture may be limited by a number of factors, including: (i) present or future prohibitions against assignment contained in any applicable statutes or regulations; (ii) certain judicial decisions which cast doubt upon the right of the Master Trustee, in the event of the bankruptcy of any Member of the Obligated Group, to collect and retain accounts receivable from Medicare, Medicaid, general assistance and other governmental programs; (iii) commingling of the proceeds of Gross Revenues with other moneys of a Member of the Obligated Group not subject to the security interest in Gross Revenues; (iv) statutory liens; (v) rights arising in favor of the United States of America or any agency thereof; (vi) constructive trusts, equitable or other rights impressed or conferred by a federal or state court in the exercise of its equitable jurisdiction; (vii) federal bankruptcy laws which may affect the enforceability of the mortgage or the security interest in the Gross Revenues of the Obligated Group which are earned by the Obligated Group within 90 days preceding or, in certain circumstances with respect to related corporations, within one year preceding and after any effectual institution of bankruptcy proceedings by or against a Member of the Obligated Group; (viii) rights of third parties in Gross Revenues converted to cash and not in the possession of the Master Trustee; and (ix) claims that might arise if appropriate financing or continuation statements are not filed in accordance with the Florida Uniform Commercial Code as from time to time in effect.

In addition, cash held by the Obligated Group may not be subject to any perfectible security interest under the Uniform Commercial Code ("UCC"). The security interest in any item of inventory will be inferior to the interest of a buyer in the ordinary course of business and will be inferior to a purchase money security interest, as defined in the UCC, perfected in connection with the sale to the Obligated Group of such item.

The lien on certain other pledged assets may not be enforceable against third parties unless such other pledged assets are transferred and delivered to the Master Trustee (which transfer the Obligated Group is not required by the Master Indenture to make prior to a default thereunder and which transfer may be set aside if it occurs within 90 days of the filing of a petition of bankruptcy), is subject to exception under the UCC and may be lost if the proceeds are commingled or expended by the Obligated Group.

Furthermore, the federal government restricts the assignment of rights arising out of Medicare, Medicaid and other federal programs. No opinion will be expressed by counsel to the Obligor as to the perfection of any security interest in the assignment of such rights.

The Master Indenture provides that if an Event of Default shall have occurred and be continuing, the Master Trustee may request that each Member of the Obligated Group deliver all Gross Revenues to it; *provided*, that if the Holders of a majority in aggregate principal amount of Obligations then Outstanding request that each Member of the Obligated Group deliver all Gross Revenues to the Master Trustee, the Master Trustee shall make such demand.

It is unclear whether the covenant to deposit the proceeds of Gross Revenues with the Master Trustee is enforceable. In light of the foregoing and of questions as to limitations on the effectiveness of the security interest granted in such Gross Revenues, as described above, no opinion will be expressed by counsel to the Obligated Group as to enforceability of such covenant with respect to the required deposits.

Certain Amendments to Bond Indenture and Master Indenture

In the event that the Series 2021A Note is no longer outstanding, if an Event of Default under the Bond Indenture occurs, there may be an amendment made to the Bond Indenture that (i) extends the stated maturity of or time for paying interest on any Bond or reduce the principal amount of or the redemption premium or rate of interest payable on any Bond without the consent of the Holder of such Bond, (ii) prefers or gives a priority to any Bond over any other Bond without the consent of the Holder of each Bond then Outstanding not receiving such preference or priority or (iii) reduce the aggregate principal amount of Bonds then Outstanding the consent of the Holders of which is required to authorize such Supplement without the consent of the Holders of all Bonds then Outstanding with the consent of the holders of at least 80% in aggregate principal amount of all Outstanding Bonds with respect to which such amendment is made; provided, however, any such amendment shall not result in a preference or priority of any Bond over any other Bond and no such amendment described in clauses (i) through (iii) shall result in a disproportionate change, reduction or modification with respect to any Bond.

These provisions are intended to make it easier for the Obligated Group to restructure its indebtedness, including the Series 2021A Bonds and the Series 2021A Note, if an Event of Default has occurred, without having to file for bankruptcy under the federal Bankruptcy Code. In the absence of a provision such as this in the Bond Indenture, such a change in payment terms on the Series 2021A Bonds could only be made under a plan of reorganization approved by a Bankruptcy Court. The consent of the holders of 100% of the Series 2021A Bonds would be extremely difficult to obtain, and a bankruptcy filing would necessarily involve delay and expense which could affect the ability of the Obligor to accomplish a successful reorganization. This provision would only be in effect if an Event of Default occurred and was continuing.

Prospective purchasers of the Series 2021A Bonds are advised that this change means there is a risk that if an Event of Default occurs, there may be an amendment made to the Bond Indenture which affects the payment provisions of the Series 2021A Bonds such purchaser holds, or other matters described above. This amendment may be made without the consent of such purchasers, if the holders of at least eighty percent (80%) in aggregate principal amount of the Series 2021A Bonds of the same maturity consent to such amendment, and the other conditions to such are met.

The Master Indenture contains a similar provision to that described above. See "The Master Indenture" in Appendix C hereto.

Environmental Matters

Health care providers are subject to a wide variety of federal, state and local environmental and occupational health and safety laws and regulations which address, among other things, health care operations, facilities and properties owned or operated by health care providers. Among the type of regulatory requirements faced by health care providers are (a) air and water quality control requirements, (b) waste management requirements, including medical waste disposal, (c) specific regulatory requirements applicable to asbestos, polychlorinated biphenyls and radioactive substances, (d) requirements for providing notice to employees and members of the public about hazardous materials handled by or located at the clinics, (e) requirements for training employees in the proper handling and management of hazardous materials and wastes and (f) other requirements.

In its role as the owner and operator of properties or facilities, the Obligated Group may be subject to liability for investigating and remediating any hazardous substances that may have migrated off of its property. Typical health care operations include, but are not limited to, in various combinations, the handling, use, storage, transportation, disposal and discharge of hazardous, infectious, toxic, radioactive, flammable and other hazardous materials, wastes, pollutants or contaminants. As such, health care operations are particularly susceptible to the practical, financial and legal risks associated with compliance with such laws and regulations. Such risks may (a) result in damage to individuals, property or the environment, (b) interrupt operations and increase their cost, (c) result in legal liability, damages, injunctions or fines and (d) result in investigations, administrative proceedings, penalties or other governmental agency actions. There is no assurance that the Obligated Group will not encounter such risks in the future, and such risks may result in material adverse consequences to the operations or financial condition of the Obligated Group.

The Obligated Group secured a Phase I Environmental Assessment in connection with the issuance of the Series 2021A Bonds. The Obligated Group is not aware of any environmental liability with respect to any of its properties that it believes would have a material adverse effect on the Obligated Group's business, financial condition, or results of operations. The Obligated Group believes that its operations are in compliance in all material respects with all federal, state, and local laws, ordinances, and regulations regarding hazardous or toxic substances or petroleum products. The Obligated Group currently is not a party to any legal proceeding that its management believes would have a material adverse effect on its business, financial condition, or results of operations.

However, there can be no assurance that an enforcement action or actions will not be instituted under such statutes at a future date. In the event such enforcement actions are initiated, the Obligated Group could be liable for the costs of removing or otherwise treating pollutants or contaminants located at the Project Site. In addition, under applicable environmental statutes, in the event an enforcement action was initiated, a lien superior to the Master Trustee's lien on behalf of the Bondholders could attach to the Community, which would adversely affect the Master Trustee's ability to realize value from the disposition of such Facility upon foreclosure. Furthermore, in determining whether to exercise any foreclosure rights with respect to the Community under the Master Indenture, the Master Trustee would need to take into account the potential liability of any owner of Sinai Residences, including an owner by foreclosure, for clean-up costs with respect to such pollutants and contaminants.

Federal and State Health Care Laws and Regulations; Medicare and Medicaid

The Obligated Group's independent living units are not currently subject to significant federal governmental regulation, other than laws and regulations applicable generally to developers and operators of residential real estate. For example, the Obligated Group must comply with the Federal Fair Housing Act and Fair Housing Amendments Act of 1988, 42 U.S.C.A. §3601 et seq., as amended, (which among other things, prohibits discrimination in housing) and the Americans with Disabilities Act of 1990, 42 U.S.C.A. §12101 et seq., as amended (which mandates the elimination of discrimination against individuals with disabilities and imposes certain standards relating to the construction and/or renovation of certain buildings and structures). Compliance with such regulatory requirements may adversely affect the Obligated Group's financial results. Failure to comply with such requirements could also result in the imposition of various fines and other remedies.

Skilled nursing facilities ("SNFs") that accept payment from Medicare and Medicaid are required to comply with federal laws that affect the rights of residents, including the Federal Nursing Home Reform Act and related regulations. In addition, state laws establish the rights and responsibilities of residents of nursing homes and

assisted living facilities. Failure to comply with these laws can result in regulatory action, monetary fines, loss or restriction of licensure or certification, and other remedies. There is no certainty that compliance with the laws or regulatory actions under them will not adversely affect operation of the Community or the financial condition of the Obligated Group.

The health care industry in general is subject to highly technical regulation by a number of federal, state and local governmental agencies, including the Centers for Medicare and Medicaid Services. As a result, the industry is sensitive to legislative changes in such programs and is affected by reductions in governmental spending for such programs. Congress has in the past enacted a number of provisions that affect health care providers and additional legislative changes can be expected. Previous legislative actions have included limitation of payments to nursing homes under the Medicare program. Additional legislation dealing with nursing home revenues could be introduced that, if enacted, might have an adverse impact upon the revenues of the Facility.

There is an expanding and increasingly complex body of law, regulation and policy (both federal and state) relating to the Medicaid and Medicare programs, which is not directly related to payments under such programs. This includes reporting and other technical rules as well as broadly stated prohibitions regarding improper inducements for referrals, referrals by physicians for designated health services to entities with which the physicians have a prohibited financial relationship, and payment of kickbacks in connection with the purchase of goods and services. Violations of prohibitions against false claims, improper inducements and payments, prohibited physician referrals, and illegal kickbacks may result in civil and/or criminal sanctions and penalties. Civil penalties range from monetary fines that may be levied on a per-violation basis to temporary or permanent exclusion from the Medicaid and Medicare programs. The determination that any of the facilities of the Obligated Group were in violation of these laws could have a material adverse effect on finances of the Obligated Group.

At this time, all the SNF beds are certified for Medicare and Medicaid. See also "Sources of Resident Service Revenue" in Appendix A hereto. Medicare

Medicare is a federal insurance program that, among other things, provides reimbursement for nursing facility care in Medicare-certified facilities. Generally, a resident will qualify for Medicare reimbursement only if the resident's admission to the nursing home facility is immediately subsequent to the resident's three or more day stay at an acute care facility. Medicare reimbursement for nursing care is limited to a renewable 100-day period for each qualified resident. Medicare currently reimburses providers of nursing care for the lower of customary charges or allowable costs. Payments are made directly to the Obligated Group for residents qualifying for Medicare on the basis of per diem rates based on resident acuity as well as each facility's allowable costs for the cost reporting period that began in fiscal year 1995, updated by a factor based on the skilled nursing facility market basket percentage (except in the case of certain facilities in states having a Prospective Payment System demonstration project), but without adjustment for case mix or wage levels.

Other future legislation, regulation or actions by the federal government are expected to continue the trend toward more limitations on reimbursement for long term care services. At present, no determination can be made concerning whether or in what form such legislation could be introduced and enacted into law. Similarly, the impact of future cost control programs and future regulations upon the Obligated Group's financial performance cannot be determined at this time. The current congressional discussions regarding decreasing the federal budget in connection with raising the federal debt may result in lowering Medicare payments to providers such as the Obligated Group.

Medicare Reimbursement. Medicare reimbursement to SNFs depends on several factors, including the character of the facility, the beneficiary's circumstances, and the type of items and services provided. Extended care services furnished by SNFs are covered only if the patient spent at least three consecutive days as a hospital inpatient prior to admission to the SNF and if the patient was admitted to the SNF within 30 days of discharge from a qualifying hospital stay. Medicare Part A generally covers institutional health services; including hospital, home health, nursing home care, and certain other services, and Medicare Part B generally covers certain physician services, medical supplies, and durable medical equipment. The Medicare Advantage Program, also known as Medicare Part C, enables Medicare beneficiaries to choose to obtain their Part A and Part B benefits through a variety of risk-based plans. Medicare Part D assists beneficiaries with paying for prescription drugs. Medicare is administered by the Centers for Medicare & Medicaid Services ("CMS"), an agency of the U.S. Department of

Health and Human Services (“HHS”). HHS’s rule-making authority is substantial, and its rules are extensive and complex. Substantial deference is given by courts to rules promulgated by HHS.

Participation in any federal healthcare program is heavily regulated. Providers and suppliers that participate in the Medicare program must agree to be bound by the terms and conditions of the program, such as meeting quality standards for rendering covered services and adopting and enforcing policies to protect patients from certain discriminatory practices and must disclose certain ownership interests and/or managing control information. If a healthcare entity fails to substantially comply with any applicable conditions of participation in the Medicare and Medicaid programs or performs certain prohibited acts, the entity’s participation in these programs may be terminated, and civil and/or criminal penalties may be imposed.

The government uses Medicare reimbursement as a key tool to implement healthcare policies, to allocate healthcare resources and to control utilization, facility and provider development and expansion, and technology use and development. Changes in Medicare funding levels and the transition of Medicare enrollees into Medicare managed care plans, could have an adverse effect on the Obligated Group’s revenues. There is frequent debate over the federal budget commitment to the Medicare program. Congress has consistently attempted to curb the growth of federal spending on healthcare programs. The pressure to curb the rate of increase in federal spending in healthcare programs overall and on a per-beneficiary basis is expected to increase as the United States population ages. Among other effects, this pressure may result in reduced payment rates for healthcare services and in increased utilization of managed care in the Medicare and Medicaid programs. In addition, Congress and other governmental agencies, and uninsured patients through certain federal and state class action litigation, have focused on the availability of healthcare to indigent and uninsured or underinsured patients, and the obligations of tax-exempt, not-for-profit healthcare organizations to these populations. Additional legislation or regulation in these areas could have an adverse effect on the results of operations of the Obligor.

The Affordable Care Act, discussed in more detail below, affects how healthcare services are covered, delivered, and reimbursed while expanding coverage to previously uninsured individuals and reducing government healthcare spending. In addition to the reimbursement reductions and adjustments under the Affordable Care Act and as discussed herein, the Budget Control Act of 2011 requires automatic spending reductions to reduce the federal deficit, including Medicare spending reductions of up to 2% per fiscal year, with a uniform percentage reduction across all Medicare programs. These automatic spending reductions began in 2013, with CMS imposing a 2% reduction on Medicare claims, and have been extended through 2025. CMS contracts with non-government organizations or agencies to serve as the fiscal agents between providers and CMS to process enrollment in and claims for payment by the Medicare program. These agents apply the Medicare coverage rules to determine the appropriateness of claims. To service Part A and Part B providers, CMS has contracted the Medicare fiscal intermediary and Medicare carrier functions to Medicare Administrative Contractors (“MACs”), which are geographically assigned.

The Balanced Budget Act of 1997 mandates the implementation of a per diem prospective payment system (“PPS”) for SNFs covering all costs (routine, ancillary and capital) related to the services furnished to beneficiaries under Part A of the Medicare program. Major elements of the current system include the following:

Rates: Federal rates are set using allowable costs from FY 1995 cost reports. The rates also include an estimate of the cost of services which, prior to July 1, 1998, had been paid under Part B but furnished to SNF residents during a Part A covered stay. FY 1995 costs are updated to FY 1998 by a SNF market basket minus 1 percentage point for each of fiscal years 1996, 1997 and 1998. Providers which received new provider exemptions in FY 1995 are excluded from the data base. Routine cost limit exceptions payments are also excluded. The data is aggregated nationally by urban and rural area to determine standardized federal per-diem rates to which case mix and wage adjustments apply.

Case Mix Adjustment: Payments under the SNF PPS are case-mix adjusted in order to reflect the relative resource intensity that would typically be associated with a given patient’s clinical condition, as identified through the resident assessment process. The SNF PPS also includes an administrative presumption whereby a beneficiary who is correctly assigned one of the designated, more intensive case-mix classifiers on the initial 5-day, Medicare-required assessment is automatically classified as meeting the SNF level of care definition up to and including the assessment reference date (ARD) for that assessment. (A beneficiary who is not assigned one of the designated case-

mix classifiers is not automatically classified as either meeting or not meeting the definition, but instead receives an individual level of care determination using the existing administrative criteria.)

- For services furnished prior to October 1, 2019, CMS has designated for this purpose all groups encompassed by the following categories under the Resource Utilization Groups, version IV (RUG-IV) model: Rehabilitation plus Extensive Services; Ultra High Rehabilitation; Very High Rehabilitation; High Rehabilitation; Medium Rehabilitation; Low Rehabilitation; Extensive Services; Special Care High; Special Care Low; and Clinically Complex.
- For services furnished on or after October 1, 2019, CMS designates for this purpose the following classifiers under the Patient Driven Payment Model (PDPM): Those nursing groups encompassed by the Extensive Services, Special Care High, Special Care Low, and Clinically Complex nursing categories; PT and OT groups TA, TB, TC, TD, TE, TF, TG, TJ, TK, TN, and TO; SLP groups SC, SE, SF, SH, SI, SJ, SK, and SL; and the NTA component's uppermost (12+) comorbidity group.

Geographic Adjustment: The labor portion of the federal rates is adjusted for geographic variation in wages using the hospital wage index.

Annual Updates: Payment rates are adjusted each Federal fiscal year using a SNF market basket index (PDF).

Transition: A three-year transition that blends a facility-specific payment rate with the federal case mix adjusted rate is used. The facility-specific rate includes allowable costs (from FY 1995 cost reports) including exceptions payments. Payments associated with 'new provider' exemptions are included but limited to 150 percent of the routine cost limit. It also includes an add-on for related Part B costs similar to the federal rate.

Payments of Medicare patients in SNFs are now based on a Patient-Driven Payment Model ("PDPM"). Under the current PDPM, SNFs are paid a single per diem rate per based upon the resident's clinical characteristics. PDPM rates are based on the expected resource needs of patients and cover routine services, therapy services and nursing costs. SNF PDPM payment rates are adjusted annually. There is no guarantee that the SNF rates, as they may change from time to time, will cover the actual costs of providing care to Medicare SNF patients.

The Health Care Reform Statutes also required the Secretary of the United States Department of Health and Human Services ("DHHS") to develop a "value based" purchasing program (based on performance and quality measures and other factors) for SNFs. DHHS is required to publish the measures selected with respect to fiscal year 2014, including procedures for the public to review such data. This will eventually result in a mandatory requirement for nursing homes reporting on key performance and other quality performance measures and the development of a pay for performance program for SNFs which will impact reimbursement to SNFs. Compliance with the performance and other quality performance measures will be essential for full reimbursement under the Medicare Program. In 2014, the Health Care Reform Statutes require that the annual update to the standard federal rate for discharges during the rate year will be reduced by two percentage points for each facility that does not report quality data. The Secretary is also required to study the impact of expanding Medicare's health care acquired conditions reduced payment policy to SNFs. Because the Health Care Reform Statutes are relatively new, the full impact of these provisions is unknown and subsequent laws, regulation and guidance impacting Medicare policy and reimbursement may provide additional changes which may adversely impact skilled nursing homes.

Medicare has also increased its efforts to recover overpayments. CMS is expanding its use of Recovery Audit Contractors ("RACs") to further assure accurate payments to providers. RACs search for potentially improper Medicare payments from prior years that may have been detected through CMS existing program integrity efforts. RACs use their own software and review processes to determine areas for review. Once a RAC identifies a potentially improper claim as a result of an audit, it applies an assessment to the provider's Medicare reimbursement in an amount estimated to equal the overpayment from the provider pending resolution of the audit. In 2014, the RAC project returned approximately \$2.4 billion to the Medicare program, with Florida accounting for \$139 million of this amount. Such audits may result in reduced reimbursement for past alleged overpayments and may slow future

Medicare payments to providers pending resolution of appeals process with RACs, as well as increase purported Medicare overpayments and associated costs for the Obligated Group.

Other future legislation, regulation or actions by the federal government are expected to continue to trend toward more restrictive limitations on reimbursement for the long-term care services. At present, no determination can be made concerning whether, or in what form, such legislation could be introduced and enacted into law. Similarly, the impact of future cost control programs and future regulations upon the financial performance of the Obligated Group cannot be determined at this time.

Medicare Reporting Requirements. Medicare regulations provide that all entities furnishing services for which payment may be made under Medicare are required to submit certain information to CMS. Persons who fail to submit the required information or who fail to report the information accurately and completely are subject to civil or criminal money penalties. As these requirements are numerous, technical and complex, there can be no assurance that one or more Members of the Obligated Group may not incur such penalties in the future. These penalties could have a material adverse effect on the Obligated Groups revenues and/or its ability to operate.

Government Health Program Regulations Governing Fraud and Abuse and Certain Referrals. Federal and state health care fraud and abuse laws generally regulate services furnished to beneficiaries of federal and state (including Medicare) and private health insurance plans, and they impose penalties for improper billing and other abuses. Under these laws, health care providers may be punished for billing for services that were not provided, not medically necessary, provided by an improper person, accompanied by an illegal inducement to use or not use another service or product, or billed in a manner that does not comply with applicable government requirements. Violations of these laws are punishable by a range of criminal, civil and administrative sanctions. If the Obligated Group violates one of the fraud and abuse laws, among other possible sanctions, federal or state authorities could recover amounts paid, exclude the Obligated Group from participation in the Medicare program, impose civil monetary penalties, and suspend Medicare payments. The federal government (and individuals acting on its behalf) have brought many investigations, prosecutions and civil enforcement actions under the fraud and abuse laws in recent years. In some cases, the scope of the fraud and abuse laws are so broad that they may result in liability for business transactions that are traditional or commonplace in the health care industry.

There is an increasingly expanding and complex body of state and federal law, regulation and policy relating to relationships between providers of health care services to patients and potential referral sources such as, but not limited to, physicians. The federal and state illegal remuneration statutes and anti-kickback statutes applicable to Medicare, Medicaid, and all federal and state health care programs ("Government Programs") prohibits the offer, payment, solicitation, or receipt of any remuneration, directly or indirectly, covertly or overtly, in cash or in kind, for (1) the referral of patients, or arranging for the referral of patients, for the provision of items or services for which payment may be made under the Government Programs; or (2) the purchase, lease or order, or arranging for the purchase, lease or order, of any good, facility, service or item for which payment may be made under the Government Programs. A violation of the illegal remuneration statute constitutes a felony criminal offense, and applicable sanctions include imprisonment of up to five years, fines up to \$25,000 and exclusion from the Medicare program.

The federal civil False Claims Act ("Civil FCA") prohibits anyone from knowingly submitting a false, fictitious or fraudulent claim to the federal government. Violation of the Civil FCA can result in civil money penalties and fines, including treble damages. Private individuals may initiate actions on behalf of the federal government in lawsuits called qui tam actions. The plaintiffs, or "whistleblowers," can recover significant amounts from the damages awarded to the government. In several cases, Civil FCA violations have been alleged solely on the existence of alleged kickback arrangements or violations of Section 1877 of the Social Security Act (commonly known as the "Stark Law"), even in the absence of evidence that false claims had been submitted as a result of those arrangements. The Patient Protection and Affordable Care Act ("PPACA") creates Civil FCA liability for knowingly failing to report and return an overpayment within a specified time. The federal criminal False Claims Act ("Criminal FCA") prohibits the knowing and willful making of a false statement or misrepresentation of a material fact in submitting a claim to the government. Sanctions for violation of the Criminal FCA include imprisonment, fines, and exclusions.

The Civil Monetary Penalties Law in part authorizes the government to impose money penalties against individuals and entities committing a variety of acts. For example, penalties may be imposed for the knowing presentation of claims that are (i) incorrectly coded for payment, (ii) for services that are known to be medically unnecessary, (iii) for services furnished by an excluded party, or (iv) otherwise false. An entity that offers remuneration to an individual that the entity knows is likely to induce the individual to receive care from a particular provider may also be fined. Moreover, the Obligated Group may not knowingly make a payment, directly or indirectly, to a physician as an inducement to reduce or limit services to Medicare or Medicaid patients under the physician's direct care. PPACA amended the Civil Monetary Penalties Law to authorize civil monetary penalties for a number of additional activities, including (i) knowingly making or using a false record or statement material to a false or fraudulent claim for payment; (ii) failing to grant the Office of Inspector General timely access for audits, investigations or evaluations; and (iii) failing to report and return a known overpayment within statutory time limits. Violations of the Civil Monetary Penalties Law can result in substantial civil money penalties plus three times the amount claimed.

In addition to the anti-kickback and illegal remuneration statutes, the Stark Law imposes certain restrictions upon referring physicians and providers of certain designated health services, including long term care services, under the Medicare and Medicaid programs. Subject to certain exceptions, the Stark Law provides that if a physician (or a family member of a physician) has a financial relationship with an entity (i) the physician may not make a referral to the entity for the furnishing of designated health services reimbursable under the Medicare and Medicaid programs, and (ii) the entity may not bill for designated health services furnished pursuant to a prohibited referral. Entities and physicians committing an act in violation of the Stark Law are subject to civil money penalties and exclusion from the Medicare and Medicaid programs. Mandated by PPACA, the recently published Medicare self-referral disclosure protocol ("SRDP") is intended to allow providers to self-disclose actual or potential violations of the Stark Law. PPACA provides for discretion to reduce penalties for providers submitting an SRDP. As a result of the scarcity of case law interpreting the Stark Law, there can be no assurance that the Obligated Group will not be found in violation of the Stark Law or that self-disclosure of a potential violation would result in reduced penalties for the Obligated Group.

Sanctions could be applied in many situations where skilled nursing facilities participate in joint ventures with entities that may be in a position to make referrals or to which skilled nursing facilities may be in a position to make referrals, enter into personal service and management contracts, enter into space and equipment rental agreements, waive co-payments and deductibles, etc. Such sanctions could result in a material adverse effect on the financial position of the Obligated Group, exclusion from Government Programs, loss of license or disciplinary action by licensing agencies, and/or substantial civil monetary penalties.

Management of the Obligated Group does not believe that it is involved in activities that pose a significant risk of sanctions under these referral laws. However, there can be no assurance that such challenge or investigation will not occur in the future.

Audits. Most health care providers are audited for compliance with the requirements for participation in the Medicare program. If audits discover alleged overpayments, the Obligated Group could be required to pay a substantial rebate of prior payments. The federal government contracts with third-party RACs, on a contingent fee basis, to audit the propriety of payments to Medicare providers. The centers for Medicare and Medicaid Services recently passed rules resulting in several more types of Medicare and or Medicaid audits. Medicare zone program integrity contractors ("ZPICs") transitioned from the program safeguard contractor ("PSC") program, target potential fraud and abuse and are tasked with ensuring the integrity of all Medicare-related claims per assigned jurisdiction. PSCs, ZPICs, affiliated contractors ("ACs"), and Medicare administrative contractors ("MACs") must ensure that they pay the right amount for covered and correctly coded services rendered to eligible beneficiaries by legitimate providers. Four parallel strategies are employed in meeting this goal: (i) preventing fraud through effective enrollment and through education of providers and beneficiaries, (ii) early detection through, for example, medical review and data analysis, (iii) close coordination with partners, including PSCs, ZPICs, ACs, MACs, and law enforcement agencies, and (iv) fair and firm enforcement policies. The Obligated Group has not received claims or been a party to settlement negotiations outside of the routine audit processes. Nevertheless, ultimate liability could exceed reserves, and any excess could be substantial. Medicare regulations also provide for withholding payment in certain circumstances, which could adversely affect the Obligated Group's cash flow.

Florida Medicaid. Medicaid in the State ("Florida Medicaid") is managed by the Florida Agency for Health Care Administration ("AHCA") under a state plan approved by CMS. AHCA is responsible for policies, procedures, and programs to promote access to quality acute and long-term medical, behavioral, therapeutic, and transportation services for Medicaid beneficiaries. AHCA is also responsible for the rules and federal compliance for waiver programs housed within other state agencies.

Florida Medicaid served approximately 4.2 million individuals as of December 2018. Total federal and state Medicaid spending for Florida during fiscal year 2018 amounted to approximately \$23.05 billion. In 2011, the Florida Legislature created Part IV of Chapter 409, Florida Statutes, directing AHCA to create the Statewide Medicaid Managed Care ("SMMC") program. The SMMC program is comprised of two parts: (i) the Managed Medical Assistance ("MMA") program and (ii) the Long-Term Care ("LTC") program.

The MMA program is comprised of several types of managed care plans for health care providers, in particular, hospitals and physicians, that include the following: HMOs, Provider Service Networks ("PSNs") and Children's Medical Services Network. Most Florida Medicaid recipients must enroll in the MMA program. Choice counselors are available to assist recipients in selecting a plan that best meets their needs in one of eleven identified regions, each composed of one or more counties. Further, under the MMA program there are specific Florida Medicaid covered services including, but not limited to the following: assistive care services; nursing care; optical services and supplies; prescription drugs; and transportation to access covered services.

The LTC program is comprised of two types of health plans: HMOs and PSNs. LTC plans must offer contracts to certain providers within their regions including: nursing facilities, hospices and aging network services providers in their region. Individuals are required to be enrolled in the LTC program if they are one of the following: 65 years of age or older and need nursing facility level of care; 18 years of age or older and are eligible for Medicaid by reason of disability and need nursing facility level of care; or are individuals enrolled in various other qualified health care programs or waivers. The LTC program minimum network providers include but are not limited to the following: adult day care centers, nursing homes and assisted living facilities. The LTC program is fully implemented at this time in all eleven AHCA regions. Rates to be paid to the long-term care providers are negotiated between the providers and the long-term care plans.

There is no assurance that the Florida Medicaid program will continue servicing and operating at the current levels or in the future. Payments made to health care providers under the Florida Medicaid program are subject to changes as a result of federal or State legislative and administrative actions, including further changes in the methods of calculating payments, the amount of payments that will be made for covered services and the types of services that will be covered under the program. Such changes have occurred in the past and may continue to occur in the future, particularly in response to federal and state budgetary constraints coupled with increased costs for covered services. Significant changes have been and may be made in the Florida Medicaid program which would have a material adverse impact on the financial condition of the Obligor. Federal and state health care law and regulation changes have affected health care providers significantly. The purpose of much of the statutory and regulatory activity has been to contain the rate of increase in health care costs, particularly costs paid under the Florida Medicaid program.

The Obligor expects to be a provider to the long-term care plans in its AHCA regions under the LTC program. Presently, the Obligor does not participate in the State's assisted living Medicaid waiver program but the Obligor does accept Medicaid for the community's skilled nursing residents.

Health Care Reform

The enactment of the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 (collectively, "PPACA") represents a significant reform of federal health care legislation. Additionally, Congress continues to consider the adoption of additional laws to modify several aspects of such legislation. PPACA is intended to bring about substantial changes to the delivery of health care services, the financing of health care costs, reimbursement to health care providers, and the legal obligations of health insurers, providers, and employers. The numerous provisions of PPACA are slated to take effect at specified times over approximately the next decade, and, therefore, the full consequences of the new laws on the health care industry will not be immediately realized. The ramifications of PPACA provisions may become apparent only as a result of

regulatory interpretations promulgated during the implementation of the enacted laws. Portions of the PPACA may also be limited or nullified as a result of legal challenges.

Many PPACA provisions could have a significant impact on health care providers, including their operations and revenues, and such impact could be negative. For example, expanded health insurance coverage, in particular, could affect the composition of the population enrolled in various public and private health plans, potentially resulting in a capacity strain on provider networks or unanticipated service costs. PPACA attempts to increase competition among private health insurers by providing for transparent state insurance exchanges. PPACA also prevents private insurers from adjusting insurance premiums based on health status, gender, or other specified factors. Further, to offset the cost of expanded health care coverage and implementation of reform, PPACA includes cuts in Medicare reimbursement and increased taxes. Cost-cutting provisions will impact health care providers by reducing or eliminating reimbursement for failure to satisfy certain quality requirements and reduction of Medicare market basket updates.

PPACA reduces payments for services to federally-insured patients because Congress expected that providers will realize savings in bad debt and charity care expenses, since they are expected to provide care to fewer uninsured patients as a result of mandated increases in insurance coverage. The constitutionality of certain PPACA provisions designed to expand health insurance coverage was recently challenged. While the private insurance mandate has been upheld by the Supreme Court, certain provisions were found to be unconstitutional. Members of Congress continue to propose a repeal or amendment of PPACA and there is no assurance that it will be implemented as initially adopted. It is difficult to predict the full impact of PPACA due to the law's complexity, lack of implementing regulations or interpretive guidance and gradual implementation, as well as an inability to foresee how states, businesses and individuals will respond to the choices afforded them by the law. The Obligated Group is therefore unable to predict the full impact of PPACA on it at this time.

Health care providers are likely to be subjected to decreased reimbursement as a result of implementation of recommendations of the PPACA-created Independent Payment Advisory Board, whose directive is to reduce Medicare cost growth. The Board's recommended reductions would be automatically implemented unless Congress adopts alternative legislation that meets equivalent savings targets. PPACA provisions relating to SNFs include requirements that facilities (i) make certain disclosures regarding ownership; (ii) implement compliance and ethics programs; and (iii) make certain disclosures regarding expenditures for wages and benefits for direct care staff. In addition, PPACA may affect SNF reimbursement through the creation of value-based purchasing payment and post-acute care payment bundling programs and may place limitations on SNF payments for health care acquired conditions. Investors are encouraged to review legislative, legal, and regulatory developments as they occur and to assess the elements and potential effects of the health care reform initiative as it evolves.

Healthcare Industry Investigations

Both federal and state regulatory agencies maintain investigation programs of hospitals and other healthcare providers relative to compliance with applicable laws. Significant media and public attention has focused in recent years on the healthcare industry. It is possible that governmental entities could initiate investigations or litigation in the future at facilities operated by Members of the Obligated Group, potentially resulting in significant penalties as well as adverse publicity. It is also possible that the executives and managers of Members of the Obligated Group could be included in governmental investigations or litigation or named as defendants in private litigation. Because the law in this area is complex and constantly evolving, governmental investigations or litigation may result in interpretations that are inconsistent with industry practices, including the Members' practices. In public statements surrounding current investigations, governmental authorities have taken positions on a number of issues, including some for which little official interpretation previously has been available, that appear to be inconsistent with practices that have been common within the industry and that previously have not been challenged in this manner. In some instances, government investigations that have in the past been conducted under the civil provisions of federal law may now be conducted as criminal investigations. Both federal and state government agencies have increased their focus on and coordination of civil and criminal enforcement efforts in the healthcare area. The OIG and the U.S. Department of Justice have, from time to time, established national enforcement initiatives targeting all hospital providers that focus on specific billing practices or other suspected areas of abuse.

The Affordable Care Act allocates \$350 million of additional federal funding over 10 years to fight healthcare fraud, waste and abuse. In addition, governmental agencies and their agents, such as MACs, may conduct audits of the Obligated Group's healthcare operations. Private payors may conduct similar audits, and the Obligated Group will also perform internal audits and monitoring.

Possible Future Adverse Legislative Proposals

Legislative proposals which could have an adverse effect on the Obligated Group include: (a) any changes in the taxation of non-profit corporations or in the scope of their exemption from income or property taxes; (b) limitations on the amount or availability of tax exempt financing for corporations recognized under Section 501(c)(3) of the Code; (c) regulatory limitations affecting the Obligated Group's ability to undertake capital projects or develop new services; and (d) a requirement that non-profit health care institutions pay real estate property tax and sales tax on the same basis as for-profit entities.

The discussion above (or as otherwise discussed herein) is not an exhaustive study of the laws and regulations which may apply to the Obligated Group and its operations. Other laws and regulations not set forth herein (or elsewhere herein) may also apply to the Obligated Group and its operations and may have an adverse impact thereon.

Future Health Care and Regulatory Risks

The Obligated Group is and will continue to be subject to certain governmental regulations. Participants in the health care industry are subject to significant regulatory requirements of federal, state and local governmental agencies and independent professional organizations and accrediting bodies, technological advances and changes in treatment modes, various competitive factors and changes in third party reimbursement programs. In addition, the operations of the health care industry have been subject to increasing scrutiny by federal, state and local governmental agencies. In response to perceived abuses and actual violations of the terms of existing federal, state and local health care payment programs, such agencies have increased their audit and enforcement activities, and federal and state legislation has been considered or enacted, providing for civil and criminal penalties against certain activities.

Bills proposing to regulate or control, in some manner, health care costs and revenues and a number of proposals for a national health insurance program are regularly submitted to Congress. There are wide variations among these proposals and the effect on the health care industry and the Obligated Group cannot be determined. There can be no assurance that the implementation of any such bill or proposal or any future bill or proposal, or the implementation by the federal or state administrative bodies of cost containment or revenue control programs, would not adversely affect the revenues of Sinai Residences, and thus the revenues of the Obligated Group.

In the environment of increasing managed care, the Obligated Group can expect additional challenges in maintaining its resident population and attendant revenues. Third-party payors, such as health maintenance organizations, direct their subscribers to providers who have agreed to accept discounted rates or reduced per diem charges. CCRCs are less sensitive to this directed utilization than stand-alone SNFs; however, the risk may increase and the Obligated Group may be required to accept residents under such conditions should managed care cost reduction measures now pervasive in the health care industry continue to grow.

Federal Tax Matters

Possible Changes in Obligated Group's Tax Status. The possible modification or repeal of certain existing federal income or state tax laws or other loss by one or more Members of the Obligated Group of the present advantages of certain provisions of the federal income or state tax laws could materially and adversely affect the revenues of the Obligated Group. Each Member of the Obligated Group has obtained a determination letter from the IRS to the effect that such Member of the Obligated Group is exempt from federal income taxation under Section 501(a) of the Code by virtue of being an organization described in Section 501(c)(3) of the Code. As an exempt organization, each Member of the Obligated Group is subject to a number of requirements affecting its operation. The failure of a Member of the Obligated Group to remain qualified as an exempt organization would

affect the funds available to the Obligated Group for payments to be made under the Loan Agreement and the Series 2021A Note. Failure of the Obligated Group or the Issuer to comply with certain requirements of the Code, or adoption of amendments to the Code to restrict the use of tax-exempt bonds for facilities such as those being financed with Bond proceeds, could cause interest on the Series 2021A Bonds to be included in the gross income of holders of Bonds or former holders of Bonds for federal income tax purposes. It is not possible to predict the scope or effect of future legislative or regulatory actions with respect to taxation of charitable organizations. There can be, however, no assurance that future changes in the laws and regulations of the federal, state or local governments will not materially and adversely affect the operations and revenues of the Obligated Group by requiring it to pay income taxes.

Intermediate Sanctions. Section 4958 of the Code provides the IRS with an “intermediate” tax enforcement tool to combat violations by tax-exempt organizations of the private inurement prohibition of the Code. Previous to the “intermediate sanctions law,” the IRS could punish such violations only through revocation of an entity’s tax-exempt status. Intermediate sanctions may be imposed where there is an “excess benefit transaction,” defined to include a disqualified person (i.e., a director, officer or other related party) (1) engaging in a non-fair market value transaction with the tax-exempt organization; (2) receiving excessive compensation from the tax-exempt organization; or (3) receiving payment in an arrangement that violates the private inurement proscription. A disqualified person who benefits from an excess benefit transaction will be subject to a “first tier” penalty excise tax equal to 25% of the amount of the excess benefit. Organizational managers who participate in an excess benefit transaction knowing it to be improper are subject to a first-tier penalty excise tax of 10% of the amount of the excess benefit, subject to a maximum penalty of \$10,000. A “second tier” penalty excise tax of 200% of the amount of the excess benefit may be imposed on the disqualified person (but not the organizational manager) if the excess benefit transaction is not corrected in a specified time period.

Bond Audit. IRS officials have stated that more resources will be allocated to audits of tax-exempt bonds in the charitable organization sector. The Series 2021A Bonds may be subject to audit, from time to time, by the IRS. The Obligated Group believes that the Series 2021A Bonds properly comply with applicable tax laws and regulations. In addition, Bond Counsel will render an opinion with respect to the tax-exempt status of the Series 2021A Bonds, as described under the heading “TAX MATTERS.” No ruling with respect to the tax-exempt status of the Series 2021A Bonds has been or will be sought from the IRS, however, and opinions of counsel are not binding on the IRS or the courts and are not guarantees. There can be no assurance, therefore, that an audit of the Series 2021A Bonds will not adversely affect the tax-exempt status of the Series 2021A Bonds.

IRS Examination of Compensation Practices. In August 2004, the IRS announced a new enforcement effort to identify and halt abuses by tax-exempt organizations that pay excessive compensation and benefits to their officers and other insiders. In February 2009, the IRS issued its Hospital Compliance Project Final Report (the “IRS Final Report”) based on its examination of such tax-exempt organizations. The IRS Final Report indicates that the IRS (i) will continue to heavily scrutinize executive compensation arrangements, practices and procedures and (ii) in certain circumstances, may conduct further investigations or impose fines on tax-exempt organizations.

Other Tax Status Issues. The IRS has also issued Revenue Rulings dealing specifically with the manner in which a facility providing residential services to the elderly must operate in order to maintain its exemption under Section 501(c)(3). Revenue Rulings 61-72 and 72-124 hold that, if otherwise qualified, a facility providing residential services to the elderly is exempt under Section 501(c)(3) if the organization (1) is dedicated to providing, and in fact provides or otherwise makes available services for, care and housing to aged individuals who otherwise would be unable to provide for themselves without hardship, (2) to the extent of its financial ability, renders services to all or a reasonable proportion of its residents at substantially below actual cost, and (3) renders services that minister to the needs of the elderly and relieve hardship or distress. Revenue Ruling 79-18 holds that a facility providing residential services to the elderly may admit only those tenants who are able to pay full rental charges, provided that those charges are set at a level that is within the financial reach of a significant segment of the Facility’s elderly persons, and that the organization is committed by established policy to maintaining persons as residents, even if they become unable to pay the monthly charges after being admitted to the facility.

IRS Form 990. IRS Form 990 is used by 501(c)(3) not-for-profit organizations to submit information required by the federal government for tax-exemption. Form 990 requires detailed public disclosure of compensation practices, corporate governance, loans to management and others, joint ventures and other types of

transactions, political campaign activities and other areas the IRS deems to be compliance risk areas. Form 990 also contains a separate schedule requiring detailed reporting of information relating to tax-exempt bonds, including compliance with the arbitrage rules and rules limiting private use of bond-financed facilities, including compliance with the safe harbor guidance in connection with management contracts and research contracts. Form 990 allows for enhanced transparency as to the operations of exempt organizations. It is likely to result in enhanced enforcement, as Form 990 makes available a wealth of detailed information on compliance risk areas to the IRS and other stakeholders, including state attorneys general, unions, plaintiff's class action attorneys, public watchdog groups and others.

Proposed Income Tax Law Changes Affecting Tax Exemption. Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Series 2021A Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners of the Series 2021A Bonds from realizing the full current benefit of the tax status of such interest. Federal legislation has previously been introduced at various times which, if enacted, would have either limited the exclusion from gross income of interest on obligations like the Series 2021A Bonds to some extent for certain individual taxpayers, or eliminated the federal income tax exemption for interest on new obligations like the Series 2021A Bonds. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Series 2021A Bonds. Prospective purchasers of the Series 2021A Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation.

Post-Issuance Compliance. Because the existence and continuation of the excludability of the interest on the Series 2021A Bonds from federal gross income depends upon events occurring after the date of issuance of the Series 2021A Bonds, the opinion of Bond Counsel described under the caption "TAX MATTERS" herein assumes the compliance by the Obligated Group with the provisions of the Code and the regulations relating thereto. No opinion is expressed by Bond Counsel with respect to the excludability of the interest on the Series 2021A Bonds in the event of noncompliance with such provisions. The failure of the Obligated Group to comply with the provisions of the Code and the regulations thereunder may cause the interest on the Series 2021A Bonds to become includable in gross income as of the date of issuance. For example, federal arbitrage rules require monitoring over the life of the Series 2021A Bonds to ensure that the yield on investments acquired with proceeds of the Series 2021A Bonds are properly restricted and whether the Obligated Group must pay yield reduction and/or rebate payments. Given such requirements, the Obligated Group must actively monitor compliance while the tax-exempt are outstanding to improve their ability to identify, avoid, and/or correct noncompliance that may threaten the tax-exempt status of the Series 2021A Bonds.

Other Legislation. Section 7872 of the Code (Treatment of Loans with Below Market Interest Rates), provides for, in certain circumstances, the imputation of interest income to a lender when the rate of interest charged by the Bank is below prevailing market rates (as determined under a formula) or, even if the below market interest rate loan would otherwise be exempt from the provisions of Section 7872, when one of the principal purposes for such below market rate loan is the avoidance of federal income taxation. A refundable entrance fee payment made by a resident to certain continuing care facilities has been determined under Section 7872 to constitute a below market interest rate loan by the resident to the facility to the extent that the resident is not receiving a market rate of interest on the refundable portion of the entrance fee. Section 7872(h) provides a "safe harbor" exemption for certain types of refundable entrance fees. The statutory language of Section 7872 does not permit a conclusive determination as to whether the Residency Agreements come within the scope of the continuing care facility safe harbor or within the statute itself. Provided the Residency Agreement falls within the scope of Section 7872, the safe harbor exemption under Section 7872(h) is applicable (i) if such loan was made pursuant to a continuing care contract, (ii) if the resident (or the resident's spouse) has attained age 62 before the close of the year, and (iii) irrespective of the amount of the "loan" by the resident (or the resident's spouse) to the continuing care facility. Section 425 of the Tax Relief and Health Care Act of 2006 amended Section 7872(h) to make the exemption for loans to qualifying care facilities permanent. Any determination of applicability of Section 7872 could have the effect of discouraging potential residents from becoming or remaining residents of the Facility.

In recent years the IRS and members of Congress have expressed concern about the need for more restrictive rules governing the tax-exempt status of 501(c)(3) organizations generally and of retirement communities in particular. Legislation has been previously introduced restricting the ability of such organizations to utilize tax-

exempt bonds unless they maintain a required percentage of low to moderate income residents. Although the Obligated Group has covenanted in the Loan Agreement to take all appropriate measures to maintain the tax-exempt status of each of the Members of the Obligated Group, compliance with current and future regulations and rulings of the IRS could adversely affect the ability of the Obligated Group to charge and collect revenues at the level required by the Loan Agreement and the Series 2021A Note, finance or refinance indebtedness on a tax-exempt basis or otherwise generate revenues necessary to provide for payment of the Series 2021A Bonds.

Uncertainty of Investment Income

A portion of the Obligated Group's revenues available to pay debt service is expected to come from investment income and net realized gains on the investment of available funds. The amount of such interest earnings and gains will fluctuate with changes in prevailing interest rates and financial market conditions.

Market for Bonds

It is the present practice of the Underwriter to make a secondary market in the bond issues that it offers. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular bond issue, these secondary marketing practices in connection with a particular bond issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially lower than the original purchase price. While there can be no guarantee or assurance that its present secondary marketing practices will always be continued, the Underwriter presently intends to make a secondary market in the Series 2021A Bonds, subject to the foregoing limitations. Nevertheless, there can be no guarantee that there will be a secondary market for the Series 2021A Bonds or, if a secondary market exists, that the Series 2021A Bonds can be sold for any particular price.

Credit Ratings

There is no assurance that the credit ratings assigned to any series of the Series 2021A Bonds at the time of issuance or at a subsequent time will not be lowered or withdrawn, the effect of which could adversely affect the market price and the market for the Series 2021A Bonds of such series. The Rating Agency may revise the criteria under which it rates the Series 2021A Bonds at any time, which revisions could result in significant changes to or withdrawal of the credit rating assigned to any series of the Series 2021A Bonds. In addition, in determining the initial credit rating for the Series 2021A Bonds, and in conducting its annual rating surveillance, the Rating Agency may use assumptions regarding occupancy, revenues, expenses and values related to the Community that differ materially from those used by the Obligated Group. Such differences could result in a lowering or withdrawal of the ratings on the Series 2021A Bonds. In addition, there is no requirement or covenant that the Obligated Group maintain the current rating or any rating for the Series 2021A Bonds.

Risk of Early Redemption

Purchasers of the Series 2021A Bonds, including those who purchase Bonds at a price in excess of their principal amount or who hold such Bonds trading at a price in excess of par, should consider the fact that the Series 2021A Bonds are subject to optional and mandatory redemption at a redemption price equal to their principal amount plus accrued interest upon the occurrence of certain events. This could occur, for example, in the event that the Series 2021A Bonds are prepaid as a result of a casualty or condemnation award affecting the Community or there is a default under the Mortgage. Under such circumstances, a purchaser of the Series 2021A Bonds whose bonds are called for early redemption may not have the opportunity to hold such Bonds for a time period consistent with such purchaser's original investment intentions and may lose any premium paid for the Series 2021A Bonds.

Risk of Loss Upon Redemption

The rights of Beneficial Owners to receive interest on the Series 2021A Bonds will terminate on the date, if any, on which such Bonds are to be redeemed pursuant to a call for redemption, notice of which has been given under the terms of the Bond Indenture, and interest on such Bonds will no longer accrue on and after such date of redemption. There can be no assurance that the Obligated Group will be able or will be obligated to pay for any

amounts not available under the Bond Indenture. In addition, there can be no guarantee that present provisions of the Code or the rules and regulations thereunder will not be adversely amended or modified, thereby rendering the interest earned on the Series 2021A Bonds taxable for federal income tax purposes. Interest earned on the principal amount of the Series 2021A Bonds may or may not be subject to state or local income taxes under applicable state or local tax laws. Each prospective purchaser of Beneficial ownership Interests in the Series 2021A Bonds should consult his or her own tax advisor regarding the taxable status of the Series 2021A Bonds in a particular state or local jurisdiction.

Risks Associated with the Bank Bonds and Line of Credit

Interest Rate Increases. Pursuant to the Continuing Covenants Agreement, the Bank Bond has a variable rate of interest and are further subject to interest rate increases under certain conditions, such as (i) if interest on the Bank Bond becomes taxable or (ii) if a Default Rate (as defined therein) is triggered. Increases in the interest rate on the Bank Bonds could adversely affect the ability of the Obligor to make principal and interest payments on the Series 2021A Bonds.

Mandatory Prepayment. Pursuant to matures on _____, 2026. The Obligor's obligation to redeem the Bank Bond may adversely affect the Obligor's ability to make principal and interest payments on the Series 2021A Bonds and the Series 2021A Note. No representation or warranty is made that the Obligor will have funds necessary to pay the mandatory prepayment.

Conditions to Disbursement. The proceeds of the Bank Bond are a significant source of funding for the construction of the Expansion Project. Under the terms of the Continuing Covenants Agreement, the proceeds of the Bank Bond will be advanced by the Bank to the Obligor on a draw-down basis. [The Bank Bond is not expected to be drawn until the proceeds of the Series 2021A Bonds initially deposited in the Construction Fund shall have been fully disbursed to pay costs of the Expansion Project]. It is possible that the Obligor may be delayed or unable to satisfy these conditions, which may delay or prevent the completion of the Expansion Project which, in turn, would have an adverse impact on the ability of the Obligor to make principal and interest payments on the Series 2021A Bonds and may result in a partial or complete loss of investment for holders of Series 2021A Bonds: [add others]

Other Possible Risk Factors

The occurrence of any of the following events, or other unanticipated events, could adversely affect the operations of the Obligated Group:

1. Litigation;
2. Reinstatement or establishment of mandatory governmental wage rent or price controls;
3. Inability to control increases in operating costs, including salaries, wages and fringe benefits, supplies and other expenses, given an inability to obtain corresponding increases in revenues from residents whose incomes will largely be fixed;
4. Unionization, employee strikes and other adverse labor actions which could result in a substantial increase in expenditures without a corresponding increase in revenues;
5. Adoption of other federal, state or local legislation or regulations having an adverse effect on the future operating or financial performance of the Obligated Group;
6. The cost and availability of energy;
7. Increased unemployment or other adverse economic conditions in the service areas of the Obligated Group which would increase the proportion of patients who are unable to pay fully for the cost of their care;

8. Any increase in the quantity of indigent care provided which is mandated by law or required due to increased needs of the Community in order to maintain the charitable status of the Obligated Group;
9. Inflation or other adverse economic conditions;
10. Changes in tax, pension, social security or other laws and regulations affecting the provisions of health care and other services to the elderly;
11. Inability to control the diminution of patients' assets or insurance coverage with the result that the patients' charges are reimbursed from government reimbursement programs rather than private payments;
12. The actuarial assumptions regarding life expectancy and inflation used by the Obligor to calculate Entrance Fees and Monthly Service Fees prove inaccurate. See "RISK FACTORS – Uncertainty of Occupancy and Entrance and Service Fee Collection" herein for an additional discussion of certain other risks related to the collection and sufficiency of Entrance Fees and Monthly Service Fees;
13. The occurrence of natural disasters, including hurricanes, volcanic eruptions and typhoons, floods or earthquakes, or failures of storm water detention devices during such naturally occurring events, which may damage the facilities of the Obligated Group, interrupt utility service to the facilities, or otherwise impair the operation and generation of revenues from said facilities; or
14. Cost and availability of any insurance, such as malpractice, fire, automobile and general comprehensive liability that organizations, such as the Obligated Group, generally carry.

FLORIDA REGULATION OF CONTINUING CARE FACILITIES

Continuing care facilities in Florida are regulated by the Florida Office of Insurance Regulation ("OIR") under the provisions of Chapter 651, Florida Statutes, as amended ("Chapter 651"), which defines "continuing care" as the furnishing pursuant to an agreement shelter, food and either nursing care or certain personal services, whether such nursing care or personal services are provided in the facility or in another setting designated by the agreement for continuing care, to an individual not related by consanguinity or affinity to the provider furnishing such care, upon payment of an entrance fee. Agreements to provide continuing care include agreements to provide care for any duration, including agreements that are terminable by either party. "Personal services" include, but are not limited to, such services as individual assistance with or supervision of essential activities of daily living but do not include the provision of medical, nursing, dental, or mental health services "Entrance fee" means an initial or deferred payment of a sum of money or property made as full or partial payment for continuing care. An accommodation fee, admission fee, member fee, or other fee of similar form and application is considered to be an entrance fee. "Initial entrance fee" means the total Entrance Fee charged by a facility to the first occupant of a unit.

The Florida Legislature enacted legislation known as House Bill 1033 ("HB 1033") during its 2019 legislative session, which Florida Governor DeSantis signed into law. Most provisions of HB 1033 became effective as of January 1, 2020. HB 1033 provides a number of revisions to Chapter 651 that will impact the regulation of continuing care retirement communities ("CCRCs") in Florida, including the Community. On September 30, 2019, a Notice of Rule Development by the OIR was issued for the purpose of updating certain applicable provisions of the Florida Administrative Code found under Chapter 690-193. See "Required Reserves" below

Certificate of Authority

Chapter 651 provides that no person may engage in the business of providing continuing care or enter into continuing care agreements or construct a facility for the purpose of providing continuing care without a certificate of authority issued by OIR. A final certificate of authority may be issued after the applicant has provided OIR with the information and documents required by Chapter 651. Once issued, a certificate of authority is valid as long as the OIR determines that the provider continues to meet the requirements of Chapter 651. Annual reports containing financial and other information about the provider and the facility are required to be filed with the OIR annually on

or before each May 1 or 120 days after the end of the provider's fiscal year of such a determination if the OIR agrees to this upon the provider's licensure. If a provider fails to correct deficiencies within 20 days of notice from the OIR, and if the time for correction is not extended, the OIR may institute delinquency proceedings against the provider, as described below.

Required Reserves

Chapter 651 requires that each continuing care provider maintain: (a) a debt service reserve in an amount equal to the principal and interest payments becoming due during the current fiscal year (12 months' interest on the financing if no principal payments are currently due) on any mortgage loan or other long term financing and including property taxes and insurance; (b) an operating reserve in an amount equal to 30% of the total operating expenses projected in the feasibility study required by Chapter 651 for the first 12 months of operation. Thereafter, the operating reserve must be equal to 15% of the total operating expenses in the annual report filed pursuant to Chapter 651, and if the provider has been in operation for more than 12 months, it must hold 15% of the facility's average total annual operating expenses set forth in the annual reports filed pursuant to Chapter 651 for the immediate preceding three-year period, subject to adjustment in the event there is a change in the number of facilities owned; and (c) a renewal and replacement reserve in an amount equal to 15% of the total accumulated depreciation based on the audited financial statements included in the facility's annual report filed pursuant to Chapter 651, not to exceed 15% of the facility's average operating expenses for the past three fiscal years based on the audited financial statements for each of such years.

These reserves are required to be held in a segregated escrow account maintained with a Florida bank, Florida savings and loan association, Florida trust company, or a national bank that is chartered and supervised by the Office of the Comptroller of the Currency within the United States Department of Treasury and that has a branch in the state of Florida, and is acceptable to the OIR or the funds can be held with the Department of Financial Services and, in the case of the operating reserve, must be in an unencumbered account held in escrow for the benefit of the Residents. A debt service reserve fund and a renewal and replacement fund and operating reserve fund (collectively, the "Minimum Liquid Reserve Accounts") established with a commercial bank, as escrow agent, are intended to meet the requirements of Chapter 651 for those reserves (the "Required Reserves"). The Required Reserves also include a reserve for property taxes. The Obligor has designated [Name of Bank] as their Chapter 651 Escrow Agent.

Chapter 651 requires the escrow agent holding the Required Reserves to deliver to the provider quarterly reports on the status of the escrow funds, including balances, deposits, and disbursements. Chapter 651 currently provides that withdrawals can be made from the Required Reserves. A provider may withdraw funds held in escrow without the approval of the OIR if the amount held in escrow exceeds the requirements of this section and if the withdrawal will not affect compliance with this section. For all other proposed withdrawals, in order to receive the consent of the OIR, the provider must file documentation showing why the withdrawal is necessary for the continued operation of the facility and such additional information as the OIR reasonably requires. The OIR shall notify the provider when the filing is deemed complete. If the provider has complied with all prior requests for information, the filing is deemed complete after 30 days without communication from the OIR. Within 30 days after the date a file is deemed complete, the OIR shall provide the provider with written notice of its approval or disapproval of the request. The OIR may disapprove any request to withdraw such funds if it determines that the withdrawal is not in the best interest of the residents, except that in an emergency, the provider may petition the OIR to allow a withdrawal of up to 33% of the replacement reserves amount (a waiver being deemed granted if not denied by the OIR within three working days) to be used only for capital items or major repairs. Any withdrawals must be repaid within 36 months. Fines may be imposed for failure to deliver the quarterly reports or notices of withdrawal within the required time periods.

The Obligated Group may withdraw funds then in deposit in excess of the Minimum Liquid Reserve requires without the OIR's consent. If the Required Reserves fall below the minimum requirement at the end of any fiscal quarter due to a change in market value of the invested funds, the continuing care provider is required to fund the shortfall within ten business days. The Required Reserves may be transferred into the custody of Florida's Department of Financial Services if the continuing care provider is insolvent or impaired.

The Minimum Liquid Reserve Accounts are not held by the Bond Trustee or Master Trustee and are not pledged as security for the holders of the Series 2021A Bonds.

Continuing Care Agreements and Residents' Rights

Chapter 651 prescribes certain requirements for continuing care agreements and requires OIR approval of the form of an agreement before it is used and of any changes to the terms of an agreement once it has been approved. In addition to requiring that the agreement state the amounts payable by the resident, the services to be provided and the health and financial conditions for acceptance of a resident, Chapter 651 requires that the agreement may be canceled by either party upon at least 30 days' notice. A provider that does not give its residents a transferable membership right or ownership interest in the facility may retain 2% of the entrance fee per month of occupancy prior to cancellation, plus a processing fee not exceeding 5% of the entrance fee and must pay the refund within 120 days of notice of cancellation or 90 days if the contract was entered into on or after January 1, 2016. The Residency Agreements for the Community will meet the requirements of this provision.

Chapter 651 requires that a prospective resident have the right to cancel without penalty a continuing care agreement within seven days of signing the continuing care agreement. During this seven-day period, any entrance fee or deposit must be held in escrow or, at the request of the prospective resident, held by the provider in the form of an uncashed check. If the prospective resident rescinds the continuing care contract during the seven-day rescission period, the entrance fee or deposit must be refunded to the prospective resident without deduction and any uncashed checks will be immediately returned to such prospective resident. Upon the expiration of the seven-day period, the provider will deposit the check. If cancellation occurs after seven days, but prior to occupancy, the entire entrance fee must be refunded, less a processing fee not exceeding 5%, within 60 days of notice of cancellation. However, if cancellation occurs prior to occupancy due to death, illness, injury or incapacity of the prospective resident, the entire entrance fee must be refunded, less any costs specifically incurred by the provider at the written request of the resident.

Chapter 651 further requires that no contract for care shall permit dismissal or discharge of a resident from the facility providing care before the expiration of the contract, without just cause for such removal. Failure to pay monthly maintenance fees will not be considered just cause until such time as the amounts paid by the resident, plus any benefits under Medicare or third-party insurance, exceed the cost of caring for the resident, based on the per capita cost to the facility (which cost may be adjusted proportionately for amounts paid above the minimum charge for above-standard accommodations).

Chapter 651 also contains provisions giving residents the right: to form residents' organizations and choose representatives, to attend quarterly meetings with the provider; and to inspect the provider's annual reports to the OIR and any examination reports prepared by the OIR or any other governmental agencies (except those which are required by law to be kept confidential). In addition, each contract must provide for advance notice to the resident, of at least 60 days, before any change in fees or charges or the scope of care or services is effective, except for changes required by state or federal assistance programs. Prior to the implementation of any increase in the monthly maintenance fee, the provider must provide, at a quarterly meeting of the residents, the reasons, by department cost centers, for any increase in the fee that exceeds the most recently published Consumer Price Index for all Urban Consumers, all items, Class A Areas of the Southern Region. Residents must also be notified of any plans filed with the OIR relating to expansion of the facility or any additional financing or refinancing.

Examinations and Delinquency Proceedings

The OIR is required to examine the business of each continuing care provider at least once every three years, in the same manner as provided under Florida law for examination for insurance companies. Inspections may also be requested by any interested party. The OIR is required to notify the provider of any discrepancies and to set a reasonable time for corrective action and compliance by the provider.

The OIR may deny, suspend, or revoke a certificate of authority for various grounds relating to: the insolvent condition of the provider or the provider's being in a condition which renders its conduct of further business hazardous or injurious to the public; lack of one or more of the qualifications for a certificate of authority; material misstatements, misrepresentation, fraud, misappropriation of moneys or demonstrated lack of fitness or

untrustworthiness; violations of Chapter 651 or any regulation or order of the OIR; or refusal to permit examination or to furnish required information.

Suspension of a certificate of authority may not exceed one year, during which period the provider may continue to operate and must file annual reports but may not issue new continuing care agreements. At the end of the suspension period, the certificate of authority is to be reinstated, unless the OIR finds that the causes for suspension have not been removed or that the provider is otherwise not in compliance with Chapter 651 (in which event the certificate of authority is deemed to have been revoked as of the end of the suspension period or upon failure of the provider to continue the certificate during the suspension period, whichever event first occurs). In lieu of suspension, administrative fines may be levied, not exceeding \$1,000 per violation, or \$10,000 per violation for knowing and willful violations.

If the OIR finds that sufficient grounds exist as to a continuing care provider for the rehabilitation (*i.e.*, receivership), liquidation, conservation, reorganization, seizure or summary proceedings of an insurer as provided under Florida law pertaining to insurance companies, the OIR may petition for an appropriate court order or pursue such other relief as is afforded under Part I of Chapter 631, Florida Statutes, as amended (the "Insurers Rehabilitation and Liquidation Act"), for insurance companies generally. Such grounds include, but are not limited to, insolvency or failure or refusal to comply with the OIR's requirements.

Chapter 651 provides that the rights of the OIR are subordinate to the rights of a trustee or lender pursuant to an indenture, loan agreement, or mortgage securing bonds issued to finance or refinance the facility in the event of a receivership or liquidation. However, if the OIR has been appointed as receiver of the facility, the court having jurisdiction over the receivership proceeding is authorized to enjoin a secured creditor from seeking to dispose of the collateral securing its mortgage for up to 12 months, upon a showing of good cause, such as a showing that the collateral should be retained in order to protect the life, health, safety or welfare of the residents or to provide sufficient time for relocation of the residents.

If a trustee or lender becomes the mortgagee under the Mortgage pursuant to a foreclosure sale or otherwise through the exercise of remedies upon the default of the mortgagor, the rights of a resident of any portion of the applicable Mortgaged Property governed by Chapter 651, Florida Statutes, under a continuing care agreement, will be honored and will not be disturbed or affected (except as described below) as long as the trustee or lender agrees that the rights of residents will be honored and will not be disturbed by a foreclosure or conveyance in lieu thereof as long as the resident continues to comply with all provisions of the continuing care agreement and has asserted no claim inconsistent with the rights of the trustee or lender. In such event, the OIR will not exercise its remedial rights provided under Chapter 651 with respect to the facility, including its right to enjoin disposal of the facility as described in the preceding paragraph. Upon acquisition of a facility by a trustee or lender pursuant to remedies under the Mortgage and evidence satisfactory to the OIR that the trustee or lender is in compliance with the agreements with the residents, the OIR will issue a 90-day temporary certificate of authority to operate the facility, provided that the trustee or lender will not be required to continue to engage in the marketing or resale of new continuing care agreements, pay any refunds of entrance fees otherwise required to be paid under a resident's continuing care agreement until expiration of such 90-day period, be responsible for acts or omissions of the operator of the facility arising prior to the acquisition of the facility by the trustee or lender, or provide services to the residents to the extent that the trustee or lender would be required to advance funds that have not been designated or set aside for such purposes.

Regulatory Action Level Events and Impairment; Management Contracts

Effective on January 1, 2020, Chapter 651 now contains a two-tiered early warning system to notify the OIR of impaired continuing care providers. The occurrence of at least two of the following events as of a continuing care provider's most recent annual report will trigger a regulatory action level event ("Regulatory Action Level Event"):

- (1) The continuing care provider's debt service coverage ratio is less than (i) the greater of the minimum ratio in the provider's lending agreement or (ii) 1.20:1. If there is not requirement, 1.20:1 is the minimum.

(2) The days cash on hand is less than (i) the greater of the minimum days cash on hand in the provider's lending agreement or (ii) 100 days. If there is no requirement, 100 days is the minimum. Days cash on hand includes the Minimum Liquid Reserve funds and is calculated by dividing the value of (a) the sum of unrestricted cash, unrestricted short-term and long-term investments, provider restricted funds, and the minimum liquid reserve as of the reporting date by the value of (b) operating expenses less depreciation, amortization, and other noncash expenses and non-operating losses divided by 365. Operating expenses, depreciation, amortization, and other noncash expenses and non-operating losses are each the sum of their respective values over the 12-month period ending on the reporting date.

(3) Occupancy is less than 80% averaged over the 12-month period preceding the filing of the provider's annual report.

If a Regulatory Action Level Event has occurred, the continuing care provider must submit a corrective action plan or revised corrective action plan within 30 days after the occurrence of such event. Thereafter, the OIR must approve or disapprove the corrective action plan with 45 business days in accordance with Section 651.034 of Florida Statutes. The OIR must perform an examination or analysis before issuing a corrective order, if necessary, with any actions the OIR determines are required.

If a continuing care provider is determined to be "impaired" by the OIR, the OIR may place the provider under regulatory control, including any remedy available under general insurance law pertaining to receivership and rehabilitation of insolvent insurers. An impairment is sufficient grounds for the OIR to appoint a receiver. The OIR may forego action up to 180 days for "impairment" if there is a reasonable expectation that such impairment may be eliminated within 180 days.

(1) A provider is impaired if it fails to meet the minimum liquid reserve requirements of Chapter 651.

(2) Beginning January 1, 2021, a provider is also impaired if (a) it has mortgage financing from a third-party lender or a public bond issue has a debt service coverage ratio of less than 1.00:1 and the continuing care provider's days cash on hand is less than 90, or (b) it does not have mortgage financing from a third-party lender or public bond issue has days cash on hand of less than 90.

Chapter 651 outlines the calculation of the debt service ratio and days cash on hand for use in the above tests.

Within 45 days after the end of each fiscal quarter, each continuing care provider must file a quarterly unaudited financial statement of the provider and days cash on hand, occupancy, debt service coverage ratio, a detailed listing of the assets maintained in the Required Reserves, and other information required by the OIR. The last quarterly statement for a fiscal year is not required if a continuing care provider does not have pending a Regulatory Action Level Event, Impairment, or a corrective action plan. If a continuing care provider falls below two or more of the thresholds set forth in Section 651.011(25) above, at the end of any fiscal quarter, the continuing care provider must submit to the OIR, at the same time as the quarterly statement, an explanation of the circumstances and a description of the actions it will take to meet the requirements.

HB 1033 also adds a new section providing the OIR with management company oversight. All management contracts entered into after July 1, 2019, must contain a provision that the contract will be cancelled upon issuance of an order by the OIR without a cancellation fee or penalty. Providers are required to notify the OIR of any change in management within ten (10) business days. For a provider that is found to be impaired or that has a Regulatory Action Level Event pending, the OIR may disapprove new management and order the provider to remove the new management after its review of the required information. For providers which are not impaired or subject to a Regulatory Action Level Event, the OIR may remove new management after receiving the required information if it finds (i) the new management is incompetent or untrustworthy; (ii) the new management is so lacking in managerial experience as to make the proposed operation hazardous to the residents or potential residents; (iii) the new management is so lacking in experience, ability, and standing as to jeopardize the reasonable promise of successful operation; or (iv) has good reason to believe that the new management is affiliated directly or indirectly with any person whose business operations are or have been marked by manipulation of assets or accounts

or by bad faith, to the detriment of residents, stockholders, investors, creditors, or the public. If the OIR disapproves of new management, such manager must be removed by the provider within 30 days.

Upon determination by the OIR that a provider is not in compliance with Chapter 651, a corrective plan may be formulated by the OIR. Section 651.114(11) provides that the rights of the OIR under that section are subordinate to the rights of a trustee or lender pursuant to the terms of a resolution, ordinance, loan agreement, indenture of trust, mortgage, lease, security agreement, or other instrument creating or securing bonds or notes issued to finance a facility, and the OIR, subject to its right to override its suspension of remedial rights as described below, may not exercise its remedial rights provided under Chapter 651 to a facility that is subject to a lien, mortgage, lease, or other encumbrance or trust indenture securing bonds or notes issued in connection with the financing of the facility, if the trustee or lender, by inclusion or by amendment to the loan documents or by a separate contract with the OIR, agrees that the rights of residents under a continuing care or continuing care at-home contract will be honored and will not be disturbed by a foreclosure or conveyance in lieu thereof as long as the resident meets certain conditions stated therein. The OIR can override its suspension of its remedial rights, if, at any time (a) the trustee or lender is not in compliance with the agreed upon amendment or contract; (b) a lender or trustee has assigned or has agreed to assign all or a portion of a delinquent or defaulted loan to a third party without the OIR's written consent; (c) the provider engaged in the misappropriation, conversion, or illegal commitment or withdrawal of minimum liquid reserve or escrowed funds required under Chapter 651; (d) the provider refused to be examined by the OIR; or (e) the provider refused to produce any relevant accounts, records, and files requested as part of an examination.

Rules 69O-193.002, .003, .005, .006, and .012 were adopted March 12, 2020; and former Rule 69O-193.007, .010, and .015 were repealed as of March 12, 2020.

Florida Licensure

The health care components of the Community are licensed by AHCA. The health facilities are required to undergo at least one annual unannounced inspection by AHCA to determine compliance with applicable statutes and rules promulgated thereunder which govern minimum standards of construction, quality, adequacy of care and rights of residents. In addition, AHCA will at least annually evaluate the health facilities to determine compliance with applicable licensure requirements and standards as a basis for assigning a rating to such facilities. In addition, the Obligated Group is required to submit an annual financial statement and statement of ownership to AHCA, as well as maintaining a certificate of authority from the Department. Under Florida Statutes, the administrator of the health facilities is required to be and is licensed as a nursing home administrator.

FINANCIAL REPORTING AND CONTINUING DISCLOSURE

Financial Reporting

The Master Indenture requires that the Obligated Group Representative provide to each Required Information Recipient, the following:

(i) Quarterly unaudited financial statements of the Obligated Group as soon as practicable after they are available but in no event more than 45 days after the completion of such fiscal quarter, including a combined or combining statement of revenues and expenses and statement of cash flows of the Obligated Group during such period, a combined or combining balance sheet as of the end of each such fiscal quarter, and a calculation of Days Cash on Hand, Historical Debt Service Coverage Ratio, for such quarter, as well as statistics for marketing and occupancy for all units by level of care and payor mix for such fiscal quarter, including the number of prospective residents that are on a waitlist and number of Residency Agreements entered into with respect to the newly constructed independent living units, all prepared in reasonable detail and certified, subject to year end adjustment, by an officer of the Obligated Group Representative. Such financial statements and calculations shall be accompanied by a comparison to the annual budget provided pursuant to subsection (iv) below.

If the Historical Debt Service Coverage Ratio of the Obligated Group for any Fiscal Year is less than 1.00:1 and Days Cash on Hand of the Obligated Group is less than 120 days on any Testing Date as provided in the Master

Indenture, the Obligated Group will deliver the financial information and the calculations described in the paragraph above on a monthly basis within 45 days of the end of each month until the Historical Debt Service Coverage Ratio of the Obligated Group is at least 1.00:1 and the Days Cash on Hand is at least equal to the Liquidity Requirement.

Commencing with the fiscal quarter ending _____, 20__, the Obligated Group Representative will furnish or cause to be furnished to each Required Information Recipient, the Bondholder and the Bank (and the Master Trustee shall have no duty or obligation to review or examine the contents thereof) within 45 days after the completion of such fiscal quarter, all of the following:

- (a) a calculation of Days Cash on Hand and Historical Debt Service Coverage Ratio for such fiscal quarter;
 - (b) statistics for occupancy for all units by level of care (on a units available/units occupied/percentage occupied basis); and
 - (c) a summary of payor mix for any health center containing nursing beds for such fiscal quarter (similar, in the sole opinion of the Obligated Group Representative, to the statistics typically provided in offering documents or disclosure for debt financing of facilities similar to the Facilities of the Obligated Group's Members from time to time).
- (ii) Within [120/150] days of the end of each Fiscal Year, an annual audited financial report of the Obligated Group prepared by a firm of certified public accountants, including a combined and an unaudited combining balance sheet as of the end of such Fiscal Year, a combined and an unaudited combining statement of cash flows for such Fiscal Year, and a combined and an unaudited combining statement of revenues and expenses for such Fiscal Year, showing in each case in comparative form the financial figures for the preceding Fiscal Year, together with a separate document from the accountants preparing such report containing calculations of the Obligated Group's Historical Debt Service Coverage Ratio and Days Cash on Hand for said Fiscal Year.
- (iii) On or before the date of delivery of the financial reports referred to in subsection (ii) above, an Officer's Certificate of the Obligated Group Representative (A) stating that the Obligated Group is in compliance with all of the terms, provisions and conditions of the Master Indenture, any Related Loan Agreement, and any Related Bond Indenture or, if not, specifying all such defaults and the nature thereof, and (B) calculating and certifying Days Cash on Hand; the Historical Debt Service Coverage Ratio and occupancy, as of the end of such month or Fiscal Year, as appropriate, [and (C) reporting the number of stars awarded to the Facilities pursuant to the Centers for Medicare and Medicaid Services Five-Star Quality Rating System.] [Note: Need to add (c) to MTT]
- (iv) On or before the date of delivery of the financial reports referred to in paragraphs (i) and (ii) above, a management's discussion and analysis of results for the applicable fiscal period.
- (v) Copies of (A) any board approved revisions to the summary of the Annual Budget provided pursuant to the Master Indenture, and (B) any correspondence to or from the IRS concerning the status of each Member of the Obligated Group as an organization described in Section 501(c)(3) of the Code or with respect to the tax-exempt status of any Related Bonds, promptly upon receipt.
- (vi) Within 120 days of the end of the Fiscal Year ending December 31, 2021, and within 120 days of the end of each fifth Fiscal Year thereafter, the Obligated Group will obtain an actuarial report, including a calculation of funded status, and the Obligated Group Representative shall deliver an executive summary of such report, including a calculation of the Obligated Group's funded status. Should the Obligated Group engage an actuary to report on funding status more frequently than in the preceding sentence, an executive summary of such report shall be provided.
- (vii) The Obligated Group Representative will furnish or cause to be furnished to each Required Information Recipient, the Bondholder and the Bank commencing _____ 1, 20__, monthly reports, as soon as practicable after they are available but in no event more than 45 days after the completion of such calendar month (i) until substantial completion of the 2021 Expansion Project, (A) regarding whether the construction of the 2021 Expansion

Project is within the construction budget and if not, a brief explanation and a copy of any revised budget, and on schedule with the construction timetable and if not, a brief explanation and a copy of any revised timetable, and (B) reconciling the amount of construction contingency remaining and the uses of the contingency funds to date and (ii) regarding the presales of Independent Living Units included in the 2021 Expansion Project until 90% occupancy of such Independent Living Units is attained, including the number of Independent Living Units included in the 2021 Expansion Project] that have been sold or cancelled that month on an aggregate basis and the number of such units occupied.

(viii) To the extent that any Obligated Group Member incurs permitted Additional Indebtedness of a form for which there is not a CUSIP number ("non-Public Debt"), the Obligated Group Representative will provide a debt service schedule showing the principal and interest associated with each series of Related Bonds then outstanding as well as the non-Public Debt and the aggregate debt service of the Obligated Group; provided however, to the extent that the non-Public Debt is used to construct additional units at the Facilities, the Obligated Group Representative will provide monthly reports (A) regarding whether the construction of additional units is within the construction budget and if not, a brief explanation and a copy of any revised budget, and on schedule with the construction timetable, and (B) reconciling the amount of construction contingency remaining and the uses of the contingency funds to date.

Continuing Disclosure

Inasmuch as the Series 2021A Bonds are limited obligations of the Issuer, the Issuer has determined that no financial or operating data concerning it is material to any decision to purchase, hold or sell the Series 2021A Bonds, and the Issuer will not provide any such information. The Obligor has undertaken all responsibilities for any continuing disclosure to holders of the Series 2021A Bonds as described below, and the Issuer will have no liability to the holders or any other person with respect to such disclosures.

The Obligor has covenanted for the benefit of the beneficial owners of the Series 2021A Bonds, pursuant to the Disclosure Certificate, to provide or cause to be provided: (1) each year, certain financial information and operating data relating to the Obligated Group (the "Annual Report"), (2) certain quarterly financial information and operating data relating to the Obligated Group (the "Quarterly Report"), and (3) notices of the occurrence of certain enumerated events. The Annual Reports, Quarterly Reports and event notices will be filed by or on behalf of the Obligor with the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format as prescribed by the MSRB (which, as of the date hereof, is the Electronic Municipal Market Access ("EMMA") system of the MSRB). These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule"). The form of the Disclosure Certificate is attached hereto as APPENDIX G.

The Obligor has not previously been subject to a continuing disclosure undertaking pursuant to the Rule with respect to the Refunding Bonds.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Pursuant to Section 517.051, Florida Statutes, as amended, no person may directly or indirectly offer or sell securities of the Issuer except by an offering circular containing full and fair disclosure of all defaults as to principal or interest on its obligations since December 31, 1975, as provided by rule of the Florida Department of Financial Services (the "Department"). Pursuant to Rule 69W-400.003, Florida Administrative Code, the Department has required the disclosure of the amounts and types of defaults, any legal proceedings resulting from such defaults, whether a trustee or receiver has been appointed over the assets of the Issuer, and certain additional financial information, unless the Issuer believes in good faith that such information would not be considered material by a reasonable investor.

As described herein, the Issuer has the power to issue bonds for the purpose of financing other projects for other borrowers that are payable from the revenues of the particular project or borrower. Revenue bonds issued by the Issuer for other projects may be in default as to principal and interest. The source of payment, however, for any such defaulted bond is separate and distinct from the source of payment of the Series 2021A Bonds and, therefore,

any default on such bonds would not, in the judgment of the Issuer, be considered material by a potential purchaser of the Series 2021A Bonds.

LITIGATION

Issuer

There is no litigation now pending or, to the knowledge of the Issuer, threatened against the Issuer that restrains, enjoins or adversely affects the issuance or delivery of the Series 2021A Bonds, the execution, delivery or performance of the Loan Agreement or the Bond Indenture, or the use of the proceeds of the Series 2021A Bonds or that questions or contests the validity of the Series 2021A Bonds or the proceedings and authority under which they are or are to be issued and secured. Neither the creation, organization, or existence of the Issuer, nor the title of the present members of the governing body of the Issuer or other officials of the Issuer to their respective offices, is being contested or questioned.

Obligor

The Obligor, like other similar entities, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. The Obligor, after reviewing the current status of all pending and threatened litigation with its counsel, Purcell, Flanagan, Hay & Greene, P.A., believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits that have been filed and of any actions or claims pending or threatened against the Obligor are adequately covered by insurance or self-insurance reserves established by the Obligor or will not have a material adverse effect upon the financial position or results of operations of the Obligor.

No litigation and no proceedings are pending against the Obligor, or to its knowledge are threatened against it, that would affect the issuance or delivery of the Series 2021A Bonds and the Series 2021B Bond or the ability of the Obligor to perform its obligations under the Loan Agreement, the Series 2021A Note or the Series 2021B Bond or the ability of the Obligor to perform its obligations under the Master Indenture.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Series 2021A Bonds are subject to the unqualified approval of the Bond Counsel. Bryant Miller Olive P.A. has acted in the capacity as Bond Counsel for the purpose of rendering an opinion with respect to the authorization, issuance, delivery, legality and validity of the Series 2021A Bonds and for the purpose of rendering an opinion on the exclusion of the interest on the Series 2021A Bonds from gross income for federal income tax purposes and certain other tax matters.

The opinion of Bond Counsel, in the form attached hereto as APPENDIX E, will be furnished without charge to the purchasers of the Series 2021A Bonds at the time of their delivery. The actual legal opinion to be delivered may vary from that text if necessary, to reflect facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Official Statement or otherwise will create no implication that, subsequent to the date of the opinion, Bond Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion. Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances, including changes in law, that may thereafter occur or become effective. Bryant Miller Olive P.A. has not been requested to examine, and has not investigated or verified, any statements, records, material or matters relating to the financial condition or capabilities of the Obligor or its affiliates, and has not assumed responsibility for the preparation of this Official Statement, and therefore expresses no opinion as to the accuracy, completeness, fairness or sufficiency of any of the information or statements contained in this Official Statement or any appendices hereto except as to the accuracy of the information contained under the captions "THE SERIES 2021A BONDS," "SECURITY FOR THE SERIES 2021A BONDS" and "TAX EXEMPTION."

Certain legal matters will be passed upon for the Issuer by its counsel, Geoffrey B. Dobson, Esquire, St. Augustine, Florida; for the Obligor by its counsel, Purcell, Flanagan, Hay & Greene, P.A., Jacksonville, Florida; and for the Underwriter by its counsel, Butler Snow LLP, Atlanta, Georgia.

The various legal opinions to be delivered concurrently with the delivery of the Series 2021A Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

FINANCIAL ADVISOR

OnePoint Partners, LLC ("OnePoint") will act as a financial advisor to the Borrower with respect to the Series 2021 Bonds. OnePoint has not prepared any portion of this Offering Memorandum and is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for, the accuracy, completeness or fairness of the information contained in this Offering Memorandum. OnePoint is a financial advisory firm and is not engaged in the business of underwriting, creating or distributing securities.

TAX EXEMPTION

General

The Code establishes certain requirements which must be met subsequent to the issuance of the Series 2021A Bonds in order that interest on the Series 2021A Bonds be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause interest on the Series 2021A Bonds to be included in federal gross income retroactive to the Closing Date, regardless of the date on which such non-compliance occurs or is ascertained. These requirements include, but are not limited to, provisions which prescribe yield and other limits within which the proceeds of the Series 2021A Bonds and the other amounts are to be invested and require that certain investment earnings on the foregoing must be rebated on a periodic basis to the Treasury Department of the United States. The Issuer has covenanted in the Indenture, the Corporation has covenanted in the Loan Agreement to comply with such requirements in order to maintain the exclusion from federal gross income for federal income tax purposes of the interest on the Series 2021A Bonds.

In the opinion of Bond Counsel, assuming compliance with certain covenants, under existing laws, regulations, judicial decisions and rulings, interest on the Series 2021A Bonds is excluded from gross income for purposes of federal income taxation. Interest on the Series 2021A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax.

Except as described above, Bond Counsel will express no opinion regarding other federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of Bonds. Prospective purchasers of Bonds should be aware that the ownership of Bonds may result in collateral federal income tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry Bonds; (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by fifteen percent (15%) of certain items, including interest on the Series 2021A Bonds; (iii) the inclusion of interest on the Series 2021A Bonds in earnings of certain foreign corporations doing business in the United States for purposes of the branch profits tax; (iv) the inclusion of interest on the Series 2021A Bonds in passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year; and (v) the inclusion of interest on the Series 2021A Bonds in "modified adjusted gross income" by recipients of certain Social Security and Railroad Retirement benefits for the purposes of determining whether such benefits are included in gross income for federal income tax purposes.

As to questions of fact material to the opinion of Bond Counsel, Bond Counsel will rely upon representations and covenants made on behalf of the Issuer in the Indenture, the Obligor in the Loan Agreement, certificates of appropriate officers and certificates of public officials (including certifications as to the use of proceeds of the Series 2021A Bonds and of the property financed thereby) and on the opinions being delivered by counsel to the Obligor in

connection with the delivery of the Series 2021A Bonds with respect to the Obligor being an organization described in Section 501(c)(3) of the Code, without undertaking to verify the same by independent investigation.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2021A BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE HOLDERS OF THE SERIES 2021A BONDS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE HOLDERS OF THE SERIES 2021A BONDS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Other Tax Matters

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2021A Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2021A Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2021A Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2021A Bonds.

Prospective purchasers of the Series 2021A Bonds should consult their own tax advisors as to the tax consequences of owning the Series 2021A Bonds in their particular state or local jurisdiction and regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Information Reporting and Backup Withholding

Interest paid on tax-exempt bonds such as the Series 2021A Bonds is subject to information reporting to the Internal Revenue Service (the "IRS") in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2021A Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Bonds, under certain circumstances, to "backup withholding" at the rate specified in the Code with respect to payments on the Series 2021A Bonds and proceeds from the sale of Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Bonds. This withholding generally applies if the owner of Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2021A Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Tax Treatment of Bond Premium

The difference between the principal amount of the Series 2021A Bonds (the "Premium Bonds"), and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Premium Bonds of the same maturity and, if applicable, interest rate, was sold constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each of the Premium Bonds, which ends on the earlier of the maturity or call date for each of the Premium Bonds which minimizes the yield on such Premium Bonds to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in

the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. Bondholders of the Premium Bonds are advised that they should consult with their own tax advisors with respect to the state and local tax consequences of owning such Premium Bonds.

INDEPENDENT AUDITORS

The audited financial statements of the Obligated Group Representative and its subsidiaries as of and for the years ended December 31, 2020 and 2019, included in this Official Statement, have been audited by Moore Stephens Lovelace, P.A., independent auditors, as stated in their reports appearing in APPENDIX B to this Official Statement.

FINANCIAL FEASIBILITY STUDY

Management's financial forecast, included as APPENDIX C hereto, has been examined by CliftonLarsonAllen LLP, independent certified public accountants, as stated in their report appearing in APPENDIX C. As stated in the financial forecast, there will usually be differences between the forecasted data and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. See also "RISK FACTORS - Financial Feasibility Study." **THE FINANCIAL FEASIBILITY STUDY SHOULD BE READ IN ITS ENTIRETY.**

RATING

At the time the Series 2021A Bonds are issued, Fitch Ratings ("Fitch") has assigned the Series 2021A Bonds a rating of "_____" (_____ outlook) based on the creditworthiness of the Obligor.

The rating reflects only the view of the rating agency and is not a recommendation to buy, sell or hold the Series 2021A Bonds. Certain information and materials not included in this Official Statement were furnished to Fitch concerning the Series 2021A Bonds. Generally, rating agencies base their assumptions on such information and materials and on investigations, studies and assumptions by the rating agencies. There is no assurance that the rating mentioned above will remain for any given period of time or that such rating might not be lowered or withdrawn entirely by Fitch, if in its judgment circumstances so warrant. Except as set forth above under "FINANCIAL REPORTING AND CONTINUING DISCLOSURE," none of the Issuer, the Underwriter or the Obligor has any responsibility to bring to the attention of the holders of the Series 2021A Bonds any proposed revisions or withdrawal of the rating on the Series 2021A Bonds. Any such downward change in or withdrawal of such rating may have an adverse effect on the market price of the Series 2021A Bonds.

A further explanation of the significance of the rating may be obtained from the rating agency.

UNDERWRITING

The Series 2021A Bonds are being purchased by B.C. Ziegler and Company as Underwriter for a purchase price of \$_____ (representing the principal amount of the Series 2021A Bonds minus an underwriter's discount of \$_____ and [plus] [minus] [net] original issue [premium] [discount] on the Series 2021A Bonds of \$_____), pursuant to a Bond Purchase Agreement, entered into by and between the Issuer and the Underwriter as approved by the Obligor (the "Contract of Purchase"). Pursuant to the Contract of Purchase, the Obligor has agreed to indemnify the Underwriter and the Issuer against certain liabilities. The Underwriter reserves the right to join with dealers and other underwriters in offering the Series 2021A Bonds to the public. The obligations of the Underwriter to accept delivery of the Series 2021A Bonds are subject to various conditions contained in the Contract of Purchase. The Contract of Purchase provides that the Underwriter will purchase all of the Series 2021A Bonds if any Series 2021A Bonds are purchased.

B.C. Ziegler and Company is also serving as swap advisor to the Obligor in connection with the interest rate swaps associated with the [Refunded Bonds] and will receive compensation from the Obligor for such services rendered. [Confirm]

ROLE OF BOND TRUSTEE AND MASTER TRUSTEE

U.S. Bank National Association has been appointed to serve as Bond Trustee and Master Trustee under the Bond Indenture and Master Indenture, respectively. The Bond Trustee and Master Trustee are to carry out those duties it has agreed to under the Bond Indenture and Master Indenture. The Bond Trustee and Master Trustee have not reviewed or participated in the preparation of this Official Statement and assume no responsibility for the contents, accuracy, fairness or completeness of the information given in this Official Statement or for the recitals contained in the Bond Indenture and Master Indenture or for the validity, sufficiency, or legal effect of any of such documents. Furthermore, the Bond Trustee and Master Trustee have no oversight responsibility, and are not accountable, for the use or application by Issuer of the proceeds from the sale of the Series 2021A Bonds. The Bond Trustee and Master Trustee have no duty to, have not undertaken to evaluate, and have not evaluated, the risks, benefits, or propriety of any investment in the Series 2021A Bonds and makes no representation, and has reached no conclusions, regarding the investment quality of the Series 2021A Bonds, about all of which the Bond Trustee and Master Trustee express no opinion and expressly disclaims the expertise to evaluate.

MISCELLANEOUS

The references herein to the Act, the Bond Indenture, the Loan Agreement, the Master Indenture, the Mortgage and other materials are only brief outlines of certain provisions thereof and do not purport to summarize or describe all the provisions thereof. Reference is hereby made to such instruments, documents and other materials, copies of which will be furnished by the Bond Trustee upon request for further information.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact.

The attached APPENDICES A through G are integral parts of this Official Statement and should be read in their entirety together with all of the foregoing statements.

It is anticipated that CUSIP identification numbers will be printed on the Series 2021A Bonds, but neither the failure to print such numbers on any Series 2021A Bond nor any error in the printing of such numbers will constitute cause for a failure or refusal by the purchaser thereof to accept delivery of or pay for any Series 2021A Bonds.

[Signature Page to Follow]

The information assembled in this Official Statement has been supplied by the Obligor and other sources believed to be reliable, and, except for the statements under the heading "THE ISSUER" herein and information relating to the Issuer under the heading "LITIGATION - Issuer," the Issuer makes no representations with respect to nor warrants the accuracy of such information. The Obligor has agreed to indemnify the Issuer and the Underwriter against certain liabilities relating to the Official Statement.

LIFE CARE PONTE VEDRA, INC.

By: _____
Bruce Jones, Chief Executive Officer

APPENDIX A
THE OBLIGATED GROUP

2

APPENDIX B

**AUDITED FINANCIAL STATEMENTS OF THE OBLIGOR
FOR FISCAL YEARS ENDED DECEMBER 31, 2019 AND 2020**

APPENDIX C
FINANCIAL FEASIBILITY STUDY

APPENDIX D

FORMS OF PRINCIPAL FINANCING DOCUMENTS

APPENDIX E

PROPOSED FORM OF BOND COUNSEL OPINION

APPENDIX F
BOOK-ENTRY ONLY SYSTEM

BOOK-ENTRY ONLY SYSTEM

This section describes how ownership of the Series 2021A Bonds is to be transferred and how the principal of, premium, if any, and interest on the Series 2021A Bonds are to be paid to and credited by DTC while the Series 2021A Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The Issuer believes the source of such information to be reliable, but takes no responsibility for the accuracy or completeness thereof.

The Issuer cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Series 2021A Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the Registered Owner of the Series 2021A Bonds), or redemption or other notices, to the beneficial owners of the Series 2021A Bonds, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Series 2021A Bonds. The Series 2021A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of each series of the Series 2021A Bonds, each in the total aggregate principal amount of each such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2021A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021A Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2021A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2021A Bonds, except in the event that use of the book-entry system for the Series 2021A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2021A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2021A Bonds with DTC and their registration in the

name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2021A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2021A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2021A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2021A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond Indentures or the Loan Agreements. For example, Beneficial Owners of the Series 2021A Bonds may wish to ascertain that the nominee holding the Series 2021A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Trustee and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2021A Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2021A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2021A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium and interest payments on the Series 2021A Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Issuer or the Bond Trustee, on a payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, nor of its nominee, the Bond Trustee or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bond Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2021A Bonds at any time by giving reasonable notice to the Issuer or the Bond Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

Use of Certain Terms in Other Sections of this Official Statement

In reading this Official Statement it should be understood that while the Series 2021A Bonds are in the Book-Entry Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Series 2021A Bonds, but (i) all rights of ownership must be exercised through DTC and the Book-Entry Only System, and (ii) except as described above, notices that are to be given to registered owners under the Indentures will be given only to DTC.

Information concerning DTC and the Book-Entry Only System has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the Issuer or the Underwriter.

Effect of Termination of Book-Entry Only System

In the event that the Book-Entry Only System is discontinued by DTC or the use of the Book-Entry Only System is discontinued by the Issuer, the following provisions will be applicable to the Series 2021A Bonds. The Series 2021A Bonds may be exchanged for an equal aggregate principal amount of the Series 2021A Bonds in authorized denominations and of the same maturity and series upon surrender thereof at the principal office for payment of the Bond Trustee. The transfer of any Series 2021A Bond may be registered on the books maintained by the Bond Trustee for such purpose only upon the surrender of such Series 2021A Bond to the Bond Trustee with a duly executed assignment in form satisfactory to the Bond Trustee. For every exchange or transfer of registration of Bonds, the Bond Trustee and the Issuer may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer. The Issuer shall pay the fee, if any, charged by the Bond Trustee for the transfer or exchange. The Bond Trustee will not be required to transfer or exchange any Series 2021A Bond after its selection for redemption. The Issuer and the Bond Trustee may treat the person in whose name a Series 2021A Bond is registered as the absolute owner thereof for all purposes, whether such Series 2021A Bond is overdue or not, including for the purpose of receiving payment of, or on account of, the principal of, premium, if any, and interest on, such Series 2021A Bond.

Limitations

For so long as the Series 2021A Bonds are registered in the name of DTC or its nominee, Cede & Co., the Issuer and the Bond Trustee will recognize only DTC or its nominee, Cede & Co., as the registered owner of the Series 2021A Bonds for all purposes, including payments, notices and voting.

Under the Bond Indenture, payments made by the Bond Trustee to DTC or its nominee will satisfy the Issuer's respective obligations under the Bond Indenture and the Obligor's respective obligations under the Loan Agreement to the extent of the payments so made.

None of the Issuer, the Underwriter nor the Bond Trustee will have any responsibility or obligation with respect to (i) the accuracy of the records of DTC, its nominee or any DTC Participant or Indirect Participant with respect to any beneficial ownership interest in any Series 2021A Bond, (ii) the delivery to any DTC Participant or Indirect Participant or any other Person, other than an owner, as shown in the Bond Register, of any notice with respect to any Series 2021A Bond including, without limitation, any notice of redemption, tender, purchase or any event that would or could give rise to a tender or purchase right or option with respect to any Series 2021A Bond, (iii) the payment to any DTC Participant or Indirect Participant or any other Person, other than an owner, as shown in the Bond Register, of any amount with respect to the principal of, premium, if any, or interest on, or the purchase price of, any Series 2021A Bond or (iv) any consent given by DTC as registered owner.

Prior to any discontinuation of the book-entry only system described above, the Issuer and the Bond Trustee may treat DTC as, and deem DTC to be, the absolute owner of the Series 2021A Bonds for all purposes whatsoever, including, without limitation, (i) the payment of principal of, premium, if any, and interest on the Series 2021A Bonds, (ii) giving notices of redemption and other matters with respect to the Series 2021A Bonds, (iii) registering transfers with respect to the Series 2021A Bonds, and (iv) the selection of Bonds for redemption.

APPENDIX G
FORM OF CONTINUING DISCLOSURE CERTIFICATE

EXHIBIT "E"

Form of Financing Agreement

FINANCING AGREEMENT

among

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, as Issuer

BBVA MORTGAGE CORPORATION, as Bondholder

and

LIFE CARE PONTE VEDRA, INC., as Borrower

Dated as of _____ 1, 2021

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FINANCING AGREEMENT

THIS FINANCING AGREEMENT, dated as of _____ 1, 2021 (this "Agreement"), among the **ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY**, a public body corporate and politic duly organized and existing under the laws of the State of Florida (the "Issuer"), **BBVA MORTGAGE CORPORATION**, an Alabama corporation (the "Bondholder" or "BBVA"), and **LIFE CARE PONTE VEDRA, INC.**, a Florida not-for-profit corporation (the "Borrower");

WITNESSETH:

WHEREAS, the Issuer was created pursuant to Part III, Chapter 159, Florida Statutes (together with other applicable provisions of law, the "Act"); and

WHEREAS, pursuant to the provisions of the Act, at the request of Borrower, the Issuer has agreed to issue, sell and deliver its Series 2021B Bond to the Bondholder and to loan the proceeds thereof to the Borrower for the purpose of (i) financing or refinancing, including through reimbursement, obtain a portion of the cost of the Project, (ii) funding a debt service reserve account, and (iii) paying costs of issuance of the Series 2021B Bond; and

WHEREAS, the Bondholder proposes to purchase the Series 2021B Bond from the Issuer in order to provide for the financing and refinancing of the Project by making Advances to the Borrower pursuant to the terms hereof; and

WHEREAS, the Borrower shall make "Required Payments" (except for payments owed to the Issuer in accordance with its Reserved Rights) directly to the Bondholder as the holder of the Series 2021B Bond and assignee of the Issuer pursuant to the terms set forth in this Agreement; and

WHEREAS, the obligations of the Borrower under this Agreement will be evidenced and secured by the Series 2021B Note; and

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto formally covenant, agree and bind themselves as follows:

ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 Definitions. Terms otherwise not defined herein (including the preamble) shall have the same meaning as set forth in the Master Indenture (as defined below). In addition to other terms defined elsewhere in this Agreement, the following terms shall have the following meanings in this Agreement unless the context otherwise requires:

"Act" means Part III, Chapter 159 and other applicable provisions of law.

"Advance" means an advance of principal of the Series 2021B Bond pursuant to Section 4.1 hereof.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such Person. For the purposes of this definition, "control" when used with respect to a Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Agreement" means this Financing Agreement dated as of _____ 1, 2021, among the Issuer, the Bondholder and the Borrower, including any amendments hereto.

"Applicable Margin" means 1.25%.

"Authorizing Resolution" means the resolution of the Issuer adopted on [April __], 2021, approving, among other things, the execution and delivery of this Agreement and the issuance of the Series 2021B Bond.

"Benchmark" means LIBOR or a Benchmark Replacement that is in effect hereunder, as applicable.

"Benchmark Replacement" is defined in Section 6.3.

"Benchmark Replacement Conforming Changes" is defined in Section 6.3.

"Bond Counsel" means Bryant Miller Olive P.A. or other nationally recognized bond counsel selected by the Issuer and satisfactory to the Bondholder.

"Bondholder" or "BBVA" means BBVA Mortgage Corporation, and its successors and assigns.

"Borrower" means Life Care Ponte Vedra, Inc., a Florida not-for-profit corporation, and its successors and assigns.

"Borrower Documents" means this Agreement, the Master Indenture, the Supplemental Indenture, the Series 2021B Note, the Mortgage, the Disbursement Agreement, the Continuing Covenant Agreement and the Tax Compliance Agreement.

"Borrower Representative" means the Chief Executive Officer, the Chief Financial Officer and any one of the Persons at the time designated to act on behalf of the Borrower by written certificate furnished to the Issuer and the Bondholder containing the specimen signatures of such Persons and signed on behalf of the Borrower by its Chief Executive Officer or Chief Financial Officer.

"Business Day" means any day that is not a Saturday, Sunday, or other day on which the Bondholder is closed for commercial banking business; provided, however, that for the purpose of determining LIBOR, the term "Business Day" shall also exclude any day on which commercial banks are not open for dealing in Dollar deposits in the London interbank market.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority, or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith, and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Claims" shall mean all claims, lawsuits, causes of action and other legal actions and proceedings of whatever nature brought against (whether by way of direct action, counter claim, cross action or impleader) any Indemnified Party, even if groundless, false, or fraudulent, so long as the claim, lawsuit, cause of action or other legal action or proceeding is alleged or determined, directly or indirectly, to arise out of, to result from, to relate to or to be based upon, in whole or in part: (a) the issuance of the Series 2021B Bond, (b) the duties, activities, acts or omissions (even if negligent) of any Person in connection with the issuance of the Series 2021B Bond, or the obligations of the various parties arising under this Agreement or the Master Indenture, or (c) the duties, activities, acts or omissions (even if negligent) of any Person in connection with the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Project or any part thereof.

"Closing Date" means _____, 2021, the date of initial delivery of the Series 2021B Bond.

"Code" means the Internal Revenue Code of 1986, as amended, including applicable regulations and revenue rulings thereunder.

"Continuing Covenant Agreement" means the Continuing Covenant Agreement dated as of _____, 2021 between the Borrower and BBVA.

"Construction Monitor" means _____, its successors and assigns.

"Costs of Issuance" means any legal, accounting or financial advisory fees and expenses, including, without limitation, fees and expenses of Bond Counsel and counsel to the Issuer, the Borrower, the Bondholder, any fees and expenses of the Issuer or the Bondholder, filing fees, and printing and engraving costs, incurred in connection with the Series 2021B Note or the Series 2021B Bond, and the preparation of the Financing Instruments.

"Costs of the Project" means and includes any and all costs related to the acquisition, construction and equipping of the Project and the placing of the Project in service permitted by the Code and the Act.

"Date of Taxability" means the earliest date as of which interest on the Series 2021B Bond shall have been determined to be includable in the gross income of the Bondholder pursuant to a Determination of Taxability.

"Default Rate" means, as of any date, an annual rate of interest equal to the lower of (a) the Maximum Rate, or (b) LIBOR, plus the Applicable Margin, plus 3.00%.

"Determination of Taxability" means and shall be deemed to have occurred on the first to occur of the following:

(a) on that date when the Borrower files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability, as hereinafter defined, shall have in fact occurred;

(b) on the date when the Bondholder notifies the Borrower that it has received a written opinion by an attorney or firm of attorneys of recognized standing on the subject of municipal bonds to the effect that an Event of Taxability shall have occurred unless, within 180 days after receipt by the Borrower of such notification from the Bondholder, the Borrower shall deliver to the Bondholder a ruling or determination letter issued to or on behalf of the Borrower by the Commissioner or any District Director of Internal Revenue (or any other government official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(c) on the date when the Borrower shall be advised in writing by the Commissioner or any District Director of Internal Revenue (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings of the Borrower, or upon any review or audit of the Borrower or upon any other ground whatsoever, an Event of Taxability shall have occurred;

(d) on that date when the Borrower shall receive notice from the Bondholder that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of the Bondholder the interest on the Series 2021B Bond due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (c) or (d) hereof unless the Borrower has been afforded the opportunity, at its expense, to contest any such assessment and, further, no Determination of Taxability shall occur until such contest, if made and diligently pursued by the Borrower, has been finally determined; provided further, however, that upon demand from the Bondholder, the Borrower shall immediately reimburse the Bondholder for any payments the Bondholder shall be obligated to make as a result of the Determination of Taxability during any such contest.

["Disbursement Agreement" means the Construction Disbursement and Monitoring Agreement dated as of _____, 2021 among the Borrower, the Construction Monitor, the Bondholder, BBVA USA, as provider of the Line of Credit under the Amended and Restated Credit Agreement dated as of _____, 2021 between BBVA USA, as Lender and the Borrower and U.S. Bank, National Association, as Bond Trustee (the "2021A Bond Trustee") under the Indenture of the Trust dated as of _____ 1, 2021 between the Issuer and the 2021A Bond Trustee relating to the Issuer's Senior Living Revenue Bonds (Vicar's Landing Project), Series 2021A.]

"Entrance Fee Fund" means the 2021 Bonds Entrance Fee Fund established under Section 3.06(a) of Supplemental Indenture No. 2.

"Entrance Fee Transfer Date" means the first Business Day of each month prior to the closure of the Entrance Fee Fund pursuant to Section 3.06(c) of the Supplemental Indenture.

"Event of Default" means any of the events set forth in Section 9.1.

"Event of Taxability" means the taking of any action by the Borrower, or the failure to take any action by the Borrower, or the making by the Borrower of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of the Series 2021B Bond), or any other action which has the effect of causing the interest paid or payable on the Series 2021B Bond to become includable in the gross income of the Bondholder for federal income tax purposes.

"Facilities" means the continuing care retirement facilities known as "Vicar's Landing" which are located at _____ in St. Johns County, Florida and all land, buildings, structures, improvements, equipment, fixtures, machinery, furniture, furnishings and other real and personal property located thereon and all land, buildings, structures, improvements, equipment, fixtures, machinery, furniture, furnishings and other real and personal property now or hereafter attached to, or located in, or used in connection with, any such land, buildings, structures or improvements and all additions thereto, substitutions therefor and replacements thereof, whether now owned or hereafter acquired by the Obligor.

"Financing Instruments" means this Agreement, the Series 2021B Bond, the Series 2021B Note, the Master Indenture, the Mortgage and the Continuing Covenant Agreement.

"Governmental Authority" means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"Indemnified Party" shall mean the Issuer, St. Johns County, Florida and the Bondholder and any of their respective officers, directors, members, officials, attorneys, consultants, agents, servants and employees, and any successor to any of such Persons.

"Interest Accrual Period" means (a) initially, the period from the [Closing Date] up to but not including the first Payment Date, and (b) thereafter, each period from a Payment Date up to but not including the next subsequent Payment Date.

"Issuer" means the St. Johns County Industrial Development Authority, and its successors and assigns.

"Issuer Representative" means the Chairman of the Issuer or such other person at the time, and from time to time, designated by written certificate of the Issuer furnished to the Borrower containing the specimen signature of such person and signed on behalf of the Issuer by its Chairman. Such certificate shall designate an alternate or alternates, any of whom may act at any time as Issuer Representative.

"LIBOR" means, for each Interest Accrual Period, a rate per annum obtained by dividing (a) the London Interbank Offered Rate, as determined by ICE Benchmark Administration Limited (or any successor or substitute therefor acceptable to Lender) for Dollar deposits for a one-month period (the "Reference Period") as obtained by Lender from Reuters, Bloomberg or another commercially available source as may be designated by Lender from time to time (the "Screen Rate"), two (2) Business Days before the first day of such Interest Accrual Period, by (b) a number equal to 1.00 minus the LIBOR Reserve Percentage. Notwithstanding the foregoing, LIBOR shall not in any event be less than zero percent (0.00%).

"LIBOR Reserve Percentage" means, for any day, the percentage, as determined in good faith by the Bondholder, which is in effect on such day as prescribed by the Board of Governors of the Federal Reserve System (or any successor) representing the maximum reserve requirement (including supplemental, marginal and emergency reserve requirements) with respect to Eurocurrency funding (currently referred to as "Eurocurrency liabilities") of a member bank in such System.

"Loan" means the loan of the proceeds of the Series 2021B Bond to the Borrower pursuant to the terms of this Agreement.

"Losses" means losses, costs, damages, expenses, judgments, and liabilities of whatever nature (including, but not limited to, reasonable attorney's, accountant's and other professional's fees, litigation and court costs and expenses, amounts paid in settlement and amounts paid to discharge judgments and amounts payable by Indemnified Persons to any other Person under any arrangement providing for indemnification of that Person) directly or indirectly resulting from arising out of or relating to one or more Claims.

"Master Indenture" means the Master Trust Indenture, dated as of _____ 1, 2021, as supplemented, between the Borrower, as Obligated Group Representative on behalf of itself and Vicar's Landing Foundation, Inc., as the initial Members of the Obligated Group, and the Master Trustee.

"Master Trustee" means U.S. Bank, National Association, as master trustee under the Master Indenture.

"Maximum Rate" means the lesser of (a) 15% per annum, or (b) the maximum interest rate permitted by applicable Florida law.

"Payment Date" means the first Business Day of each month.

"Payment of the Series 2021B Bond" means payment in full of the Series 2021B Bond and the making in full of all other Required Payments due and payable at the time of such payment.

"Person" means an individual, partnership, corporation, trust, unincorporated organization, association, joint venture, joint-stock company, or a government or agency or political subdivision thereof.

"Project" means the Project described in Exhibit C hereto.

"Qualified Project Costs" means Costs of the Project which constitute costs for property which is to be owned by the Borrower or another member of the Obligated Group and will not be used in an "unrelated trade or business" (as such term is used in Section 513(a) of the Code) of the Borrower (or any other organization described in Section 501(c)(3) of the Code) or in the trade or business of a person who is neither a governmental unit nor an organization described in Section 501(c)(3) of the Code. Costs of Issuance are not Qualified Project Costs and any fees paid to banks for letters of credit, for municipal bond insurance premiums or other guaranty fees and any capitalized interest on the Series 2021B Bond shall be allocated between Qualified Project Costs to be paid or reimbursed from proceeds of the Series 2021B Bond and Costs other than Qualified Project Costs to be paid or reimbursed from the proceeds of the Series 2021B Bond. Qualified Project Costs shall not include costs or expenses paid more than sixty (60) days prior to the adoption by the Issuer, the Borrower or another member of the Obligated Group of a reimbursement resolution unless those expenditures qualify as "preliminary expenditures" within the meaning of the Code.

"Reference Period" is defined in the definition of "LIBOR" herein.

"Required Payment" means any payment of money required under the terms of this Agreement to be made by the Borrower for its own account or for the account of the Issuer.

"Reserved Rights" means the rights of the Issuer to receive notices hereunder, and the rights of the Issuer under Sections 7.2, 7.8 and 9.4 hereof.

"Screen Rate" is defined in the definition of "LIBOR" herein.

"Series 2021B Bond" means the Issuer's Senior Living Revenue Bond (Vicar's Landing Project), Series 2021B, substantially the form attached hereto as **Exhibit A**.

"Series 2021B Note" means the Vicar's Landing Obligated Group Note, Series 2021B dated _____, 2021 issued as an Obligation under the Master Indenture by the Borrower, as Obligated Group Representative evidencing and securing the obligation of the Borrower to repay the loan of the proceeds of the Series 2021B Bond at the times and in amounts sufficient to pay the principal of and interest on the Series 2021B Bond.

"Supplemental Indenture No. 2" means the Master Indenture Supplement Number 2 dated as of _____, 1, 2021, between the Borrower and the Master Trustee.

"Taxable Rate" means an interest rate sufficient to give the Bondholder an after tax yield equal to the after tax yield on the Series 2021B Bond prior to the event causing the Series 2021B Bond to bear interest at the Taxable Rate; provided that such rate shall not exceed the Maximum Rate.

Section 1.2 Rules of Construction. The following rules shall apply to the construction of this Agreement unless the context otherwise requires:

(a) Words importing the singular number shall include the plural number and vice versa, and any gender shall connote any other gender.

(b) All references in this Agreement to particular articles or sections are references to articles or sections of this Agreement unless otherwise indicated.

(c) The headings and Table of Contents in this Agreement are solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

(d) Words importing the prepayment or calling for prepayment of the Series 2021B Bond shall not be deemed to refer to or connote the payment of the Series 2021B Bond at its stated maturity.

All accounting terms used in this Agreement which are not expressly defined therein shall have the meanings respectively given to them in accordance with generally accepted accounting principles. All financial computations made pursuant to this Agreement shall be made in accordance with generally accepted accounting principles consistently applied, and all balance sheets and other financial statements shall be prepared in accordance with generally accepted accounting principles consistently applied.

ARTICLE II REPRESENTATIONS AND FINDINGS

Section 2.1 Representations by the Issuer. The Issuer represents

(a) The Issuer is a public body politic and corporate duly organized and validly existing under and pursuant to the laws of the State of Florida and has full power and authority under the laws of the State of Florida (including, in particular, the Act) to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper action the Issuer has duly authorized the execution

and delivery of this Agreement, the issuance of the Series 2021B Bond and the performance of its obligations under this Agreement and the Series 2021B Bond.

(b) To the best of the Issuer's knowledge, neither the execution and delivery of the Series 2021B Bond or this Agreement, the consummation of the transactions contemplated thereby and hereby nor the fulfillment of or compliance with the terms and conditions or provisions of the Series 2021B Bond or this Agreement conflict with or result in the breach of any of the terms, conditions or provisions of any constitutional provision or statute of the State of Florida or of any agreement or instrument or judgment, order or decree of which the Issuer has notice that it is a party or constitutes a default under any of the foregoing or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature upon any property or assets of the Issuer under the terms of any instrument or agreement.

(c) The Issuer has the power and authority to issue the Series 2021B Bond for the purpose of financing all or a portion of the Cost of the Project, funding a debt service reserve fund and paying a portion of the Cost of Issuance.

(d) The Borrower has represented to the Issuer that that the Project constitutes a "project" within the meaning of the Act.

(e) The issuance of the Series 2021B Bond and the execution of this Agreement have been approved by the Issuer at a duly constituted meeting.

(f) Except as otherwise permitted by this Agreement, the Issuer covenants that it has not and will not pledge the income and revenues derived from this Agreement other than to secure the Series 2021B Bond.

(g) After reasonable public notice given by publication in the St. Augustine Record, a newspaper published and of general circulation in the St. Johns County, Florida, on March 1, 2021 the Issuer, on behalf of the Issuer and St. Johns County, Florida (the "County"), held a public hearing on March 8, 2021 concerning the issuance of the Series 2021B Bond, the financing of the Project and the location of the Project. After such hearing, the Board of County Commissioners of St. Johns County authorized the issuance of the Bonds by duly adopting a resolution on _____, 2021.

Section 2.2 Representations by the Borrower. The Borrower represents that:

(a) The Borrower is a not-for-profit corporation duly incorporated and in good standing under the laws of the State of Florida, has power to enter into the Borrower Documents and by proper corporate action has duly authorized the execution and delivery of the Borrower Documents.

(b) To the best of the Borrower's knowledge, after due inquiry, neither the execution and delivery of any of the Borrower Documents, the consummation of the transactions contemplated hereby and thereby, nor the fulfillment of or compliance with the terms and conditions of the Borrower Documents, conflict with or result in a breach of any of the terms, conditions or provisions of any corporate restriction or any agreement or instrument to which the Borrower is now a party or by which it is bound or constitute a default under any of the foregoing.

(c) To the best of the Borrower's knowledge, after due inquiry, no event of default or any event which, with the giving of notice or the lapse of time, or both, would constitute an event of default under the Master Indenture, has occurred.

(d) To the best of the Borrower's knowledge, information and belief, all of the documents, instruments and written information supplied by or on behalf of the Borrower, which have been reasonably relied upon by Bond Counsel in rendering their opinion with respect to the exclusion from gross income of the interest on the Series 2021B Bond for federal income tax purposes or counsel to the Borrower in rendering its opinion with respect to the status of the Borrower under Section 501(c)(3) of the Code, are true and correct in all material respects, do not contain any untrue statement of a material fact and do not

omit to state any material fact necessary to be stated therein to make the information provided therein, in light of the circumstances under which such information was provided, not misleading.

(e) The Project consists entirely of property that is owned, or to be owned, and operated by the Borrower. The Project will not be used in an "unrelated trade or business" (as such term is used in Section 513(a) of the Code) of the Borrower (or any other organization that is exempt from federal income tax under Section 501(c)(3) of the Code that may rent or use any portion of the Project) or for any private business use (other than by an organization that is exempt from federal income tax under Section 501(c)(3) of the Code) within the meaning and contemplation of Section 141(b) of the Code.

(f) The Tax Compliance Agreement executed and delivered by the Borrower concurrently with the issuance and delivery of the Series 2021B Bond is true, accurate and complete in all material respects as of the date on which executed and delivered.

(g) The Borrower agrees that it and any other Obligated Group Member (i) shall not perform any act or enter into any agreement which would adversely affect its members' federal income tax status and shall conduct its operations in the manner which conforms to the standards necessary to qualify the members as a charitable organization within the meaning of Section 501(c)(3) of the Code or any successor provisions of federal income tax law, (ii) shall not perform any act, enter into any agreement or use or permit the Facilities, or any portion thereof, to be used in any manner, or for any trade or business or other non-exempt use related to the purposes of the Obligor, which would adversely affect the exclusion of interest on the Bonds, from federal gross income pursuant to Section 103 of the Code, (iii) shall not do or fail to do any act or undertaking which may give rise to unrelated trade or business income with respect to its operations at the Facilities, and (iv) shall not directly or indirectly use or permit the use (including the making of any investment) of any proceeds of the Series 2021B Bond or any other funds of the Issuer or the Obligated Group, or take or omit to take any action, that would cause the Series 2021B Bond to be an "arbitrage bond" within the meaning of Section 148(a) of the Code.

(h) The Borrower agrees that neither it nor any related party to the Borrower (as defined in Section 1.150-1(b) of the Code) will purchase any of the Series 2021B Bond in an amount related to the obligation represented by this Agreement, as described in Section 1.148-1(b) of the Code.

(i) To the best of the Borrower's knowledge, after due inquiry, any information that has been or will be supplied by the Borrower that has been or will be relied upon by the Issuer and Bond Counsel with respect to the exclusion from gross income for federal income tax purposes of interest on the Series 2021B Bond is true and correct.

(j) The Borrower is duly authorized to operate the Facilities under the laws, rulings, regulations and ordinances of the State of Florida and the departments, agencies and political subdivisions thereof.

(k) The Project constitutes a "project" within the meaning of the Act. All proceeds of the Series 2021B Bond will be used to finance a "cost" within the meaning of the Act.

(l) Based on current facts, estimates and circumstances, it is currently expected that the Project will not be sold or disposed of in a manner producing sale proceeds which, together with accumulated proceeds of the Series 2021B Bond or earnings thereon, would be sufficient to enable the Borrower to retire substantially all of the Series 2021B Bond prior to the maturity thereof.

(m) The Borrower will construct the Project and operate its Facilities in accordance with all applicable zoning, planning, building and environmental laws, ordinances, rules and regulations of governmental authorities rating or inspection organizations, bureaus, associations, or offices having jurisdiction over the Facilities or the Project, as the case may be. The Borrower has obtained or will cause to be obtained all requisite approvals of the State of Florida and of other federal, state, regional and local governmental bodies for the Facilities and the Project.

(n) Substantially all of the net proceeds of the Series 2021B Bond, including earnings from the investment thereof, were used, or will be used, to pay Qualified Project Costs.

(o) The Borrower will not discriminate against the residents of its Facilities or the Project on the basis of race, religion, sex or national origin.

(p) The Borrower agrees to perform all obligations imposed upon it by the express terms of this Agreement.

ARTICLE III SERIES 2021B BOND

Section 3.1 Issuance of Series 2021B Bond. (a) In reliance upon the representations, warranties and agreements herein contained, and subject to the conditions herein set forth, on the Closing Date (i) the Issuer agrees to issue its revenue bond designated the "St. Johns County Industrial Development Authority Senior Living Revenue Bond (Vicar's Landing Project), Series 2021B" (the "Series 2021B Bond") to the Bondholder and to assign the Series 2021B Note to the Bondholder, (ii) the Bondholder agrees to make the loan contemplated hereby and by the Series 2021B Bond by making from time to time advances of principal on the Series 2021B Bond in an aggregate principal amount not to exceed \$31,200,000, as described in Section 4.1 below, and (iii) the Borrower agrees to execute the Series 2021B Note, and consents to the assignment of the Series 2021B Note by the Issuer to the Bondholder, as security for the Series 2021B Bond.

(b) The Series 2021B Bond shall be dated the Delivery Date, shall be issued as a fully registered bond, and shall be in a single denomination in an aggregate principal amount of up to \$31,200,000. The Series 2021B Bond shall bear interest as provided therein.

The form of the Series 2021B Bond is attached as Exhibit A hereto. Interest on the amount Advanced on the Series 2021B Bond shall accrue on the outstanding principal amount of the Series 2021B Bond to the date of payment in full and retirement of the Series 2021B Bond. Interest on the Series 2021B Bond shall be payable on each Payment Date at the interest rate as from time to time in effect.

The Series 2021B Bond shall mature on the Maturity Date and the principal thereof shall be payable in substantially equal quarterly installments on each Payment Date commencing on _____, 2023 in accordance with the Series 2021B Bond. The Series 2021B Bond shall also be subject to optional and mandatory prepayment described in Article X hereof.

Principal of and interest on the Series 2021B Bond shall be payable to the Bondholder by automatic debit of an account of the Borrower. The Bondholder shall provide the Borrower with a quarterly statement setting forth the amount of principal and interest on the Series 2021B Bond payable to the Bondholder for such quarter; provided, however, failure by the Bondholder to provide such statement shall not relieve the Borrower of its obligation to make any payments due on the Series 2021B Bond.

All payments of principal of and interest on the Series 2021B Bond shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Any payment due on a date that is not Business Day shall be due and payable on the next succeeding Business Day with the same force and effect as if made on the date scheduled for payment and any interest accrued or payable for the period after the Payment Date shall be payable on the following Payment Date.

The Series 2021B Bond shall be executed in the name of the Issuer with the manual signature of the Chairman and shall be attested with the manual signature of the Secretary. Upon full payment of the Series 2021B Bond, whether by maturity, prepayment or otherwise, the Bondholder shall surrender such Series 2021B Bond to the Issuer with a copy to the Borrower, or shall otherwise provide reasonable evidence of the full payment and satisfaction of such Series 2021B Bond.

(c) The Issuer hereby agrees, subject to the terms and conditions of this Agreement, to lend the proceeds of the Series 2021B Bond through the Advances to the Borrower for the purposes of (i) paying, including by reimbursement, Costs of the Project, (ii) funding a debt service reserve account with respect to the Series 2021B Bond, and (iii) paying Costs of Issuance with respect to the Series 2021B Bond and the Series 2021B Note. The Borrower hereby agrees that such proceeds shall only be used for such purposes. The Borrower agrees to apply the proceeds of the Series 2021B Bond as provided herein and in the Tax Agreement. The Borrower hereby accepts the Loan and the terms thereof and agrees to make all Required Payments in connection therewith. The terms of the Loan shall be the same as that of the Series 2021B Bond. Except for the payments owed to the Issuer in accordance with its Reserved Rights, the Borrower agrees to make all Required Payments directly to the Bondholder, as assignee of the Issuer, at the times, in the amounts and in the manner as payments are required with respect to the Series 2021 Bond. Except with respect to its Reserved Rights, the Bondholder shall have all rights and remedies herein accorded to the Issuer, and after such endorsement any reference herein to the Issuer shall be deemed, with the necessary changes in detail, to include the Bondholder.

(d) The Bondholder agrees to purchase the Series 2021B Bond from the Issuer, and the Issuer agrees to sell the Series 2021B Bond to the Bondholder, for a purchase price equal to 100% of the principal amount of the Series 2021B Bond advanced as provided in Section 4.1. By acceptance of the Series 2021B Bond, the Bondholder agrees to make the disbursements in accordance with Section 4.1 hereof.

(e) **The Series 2021B Bond shall be a special limited obligation of the Issuer payable solely from amounts payable by the Borrower hereunder and under the Series 2021B Note. Neither the State of Florida (the "State") nor any political subdivision or agency thereof, including St. Johns County, Florida (the "County"), shall be liable or obligated in any manner to pay the principal of or interest on the Series 2021B Bond. Neither the faith and credit nor the taxing power of the County, the State or any political subdivision or agency thereof is pledged to the payment of the principal of and interest on the Series 2021B Bond. The Issuer has no taxing power.**

(f) The Bondholder represents that it is purchasing the Series 2021B Bond for its own account and has no present intention of reselling or disposing of the Series 2021B Bond or engaging in any "distribution" thereof (as that term is used in the Securities Act of 1933, as amended, and the regulations of the Securities and Exchange Commission thereunder). The Bondholder represents that it is familiar with the operations and financial condition of the Borrower based upon information furnished to the Bondholder by the Borrower and has made such inquiries as it deems appropriate in connection with the purchase of the Series 2021B Bond. In determining to purchase the Series 2021B Bond, the Bondholder has not relied upon any information (including financial information) relating to the Borrower provided by the Issuer, nor has it relied upon the omission of the Issuer to provide any such information. The Bondholder relieves the Issuer of any liability for failure to provide such information.

(g) It is specifically understood and agreed that the Issuer makes no representation, covenant or agreement as to the financial position or business condition of the Borrower and does not represent or warrant as to any statements, materials, representations or certifications furnished by the Borrower in connection with the loan contemplated hereby and by the Series 2021B Bond, or as to the correctness, completeness.

Section 3.2 Conditions Precedent to Delivery of the Series 2021B Bond. The Bondholder shall be required to accept delivery of the Series 2021B Bond only upon delivery to it, in form and substance satisfactory to it, of the following:

(a) Executed copies of the Borrower Documents, with the Series 2021B Note having been assigned to the Bondholder.

(b) Evidence of the due authorization, execution and delivery of the Borrower Documents by the parties thereto.

- (c) A certified copy of the Authorizing Resolution.
- (d) The written opinion of Bryant Miller Olive P.A., as Bond Counsel, that the Series 2021B Bond is a valid and binding limited obligation of the Issuer and, that interest thereon is excludable from gross income for federal income tax purposes, subject to customary exceptions,.
- (e) The written opinion of Purcell, Flanagan, Hay & Greene, P.A., as counsel for the Borrower, relating to the organization and existence of the Borrower, the Borrower's status as a 501(c)(3) organization, the power of the Borrower to enter into the Borrower Documents to which it is a party, the enforceability of such Borrower Documents and such other matters as the Bondholder may reasonably request.
- (f) The written opinion of Geoffrey B. Dobson, P.A., as counsel to the Issuer, relating to the organization of the Issuer, the due approval, validity and enforceability of the Financing Instruments to which the Issuer is a party, and such other matters as the Bondholder may reasonably request.
- (g) Such other documentation, certificates and opinions as may be reasonably required by the Bondholder, or its counsel.

ARTICLE IV

ADVANCES; DISPOSITION OF INITIAL ADVANCE

Section 4.1 **Advances.** (a) Advances of principal shall be made by the Bondholder directly to or for the account of the Borrower, but each such Advance shall be deemed to be a payment by the Bondholder of a portion of the purchase price of the Series 2021B Bond and the advance of a portion of the proceeds of the Series 2021B Bond to the Borrower to pay or reimburse the Borrower for Costs of the Project, to fund a debt service reserve account with respect to the Series 2021B Bond and to pay Costs of Issuance of the Series 2021B Bond and the Series 2021B Note. The amount and date of each Advance shall be noted on a ledger maintained by the Bondholder for such purpose. The outstanding principal amount of the Series 2021B Bond shall be the sum of all Advances, less the aggregate amount of all principal payments which have been made on the Series 2021B Bond (whether upon principal installment payment dates, by prepayment, upon acceleration or otherwise).

(b) Funding any Advance shall be subject to the receipt by the Bondholder of a request for Advance (upon which the Bondholder shall be entitled to rely) signed by the Borrower and containing all information called for by, and otherwise being in the form of **Exhibit [A]** attached to the Disbursement Agreement.

(c) If all conditions precedent to Advances of principal under the Series 2021B Bond have been performed to the satisfaction of the Bondholder, including those conditions set forth in **Section [] of the Construction Disbursement Agreement**, and the Bondholder has approved the requisition, the Bondholder shall make such Advances by depositing funds in the Borrower's checking account, issuing checks made payable to the Borrower or as otherwise agreed by the Bondholder and the Borrower. The proceeds of each Advance hereunder shall be applied solely and exclusively for the purposes described in Section 4.1(a) hereof, and the Borrower agrees at any time and from time to time, upon request of the Bondholder, to exhibit to the Bondholder receipts, vouchers, statements, bills of sale or other evidence satisfactory to the Bondholder of the actual payment of such costs. The Borrower shall establish and maintain a separate checking account to be used exclusively for receipts and disbursements in connection with Advances and Costs of the Project.

(d) The Bondholder shall not be required to make any Advance hereunder if an Event of Default or Event of Taxability has occurred under this Agreement.

(e) The initial Advance hereunder of the purchase price of the Series 2021B Bond shall be made in accordance with the provisions hereof on the Closing Date.

(f) The final Advance shall be no later than _____, 2023. No Advance shall be made after such date. The Borrower shall notify the Bondholder when it has requested the final Advance.

(g) The Borrower agrees that, no later than _____, 2023, the Borrower intends to request, or cause to be requested, Advances in at least the full principal amount of \$31,200,000.

ARTICLE V

LOAN BY THE ISSUER; THE SERIES 2021B NOTE

Section 5.1 Loan by the Issuer; Repayment of Loan. Upon the terms and conditions of this Agreement, the Issuer shall lend to the Borrower the proceeds of the Series 2021B Bond. Prior to or simultaneously with the issuance of the Series 2021B Bond, to evidence its obligations to repay such Loan, the Borrower shall deliver the Series 2021B Note to the Issuer for assignment to the Bondholder as security for the Payment of the Series 2021B Bond.

Section 5.2 Series 2021B Note as Obligation. The Series 2021B Note shall constitute a "Obligation" under the Master Indenture, and the Borrower represents and warrants that the Indebtedness represented by this Agreement and the Series 2021B Note is authorized and permitted under the Master Indenture.

Section 5.3 Assignment of Series 2021B Note. The Issuer hereby assigns all of its right, title and interest in the Series 2021B Note to the Bondholder and shall execute the form of assignment affixed to the Series 2021B Note.

ARTICLE VI

PAYMENTS

Section 6.1 Amounts Payable. (a) The Borrower shall make, or cause to be made, all payments required under the Series 2021B Note and, for the account of the Issuer, shall make, or cause to be made, all payments required under the Series 2021B Bond, as and when the same become due (whether at maturity, by acceleration or otherwise), in the manner set forth in the Series 2021B Bond and shall make, or cause to be made, all other Required Payments in the manner set forth in the applicable Borrower Documents. Payments to the Bondholder shall be made at the address of the Bondholder set forth in Section 11.8 or at such other place as the Bondholder may direct in writing. Any amount at any time paid to the Bondholder as a payment on the Series 2021B Bond shall be credited against the Borrower's obligations hereunder and under the Series 2021B Note (but subject to collection of any instrument, draft, check or order for payment received by the Bondholder).

(b) The Borrower shall make all payments required under the Series 2021B Note as and when the same become due and shall promptly pay to the Bondholder all other amounts necessary to pay principal of and interest on the Series 2021B Bond, including any other Required Payments, as and when the same become due (whether at maturity, by acceleration or otherwise). Payments shall be made in lawful money of the United States of America at the office of the Bondholder in Jacksonville, Florida, or at such other place as the Bondholder may direct in writing. Any amount at any time paid to the Bondholder as the payment of principal of or interest on the Series 2021B Bond as the same becomes due shall be credited against the Borrower's obligation hereunder and under the Series 2021B Note as of the date such obligation is due (but subject to collection of any instrument, draft, check or order for payment received by the Bondholder). If such amount should be sufficient to pay at the times required the principal of and interest on the Series 2021B Bond then remaining unpaid (including amounts accrued as of such date and amounts that will accrue through final Payment of the Series 2021B Bond), the Borrower shall not be obligated to make any further payments hereunder or under the Series 2021B Note but only if the same constitutes Payment of the Series 2021B Bond.

(c) The outstanding principal amount of the Series 2021B Bond shall, except as otherwise provided herein, bear interest for each interest accrual period at the variable interest rate equal to (79% of LIBOR), plus the Applicable Spread. If an Event of Default exists, then at the Bondholder's option, Series 2021B Bond shall bear interest at the Default Rate, payable on written demand from the Bondholder to the Borrower. Interest on the Series 2021B Bond will be calculated on the basis of actual number of days elapsed (including the first day, but excluding the last day), but computed as if each calendar year consisted of 360 days (unless such computation would result in an interest rate in excess of the Maximum Rate, in which event computation shall be made on the basis of a year of 365 or 366 days, as the case may be). All interest rate determination and calculations by the Lender shall be conclusive and binding absent manifest error. Each change in LIBOR is effective as of the date of such change without notice to the Borrower or any other Person.

(d) Upon the occurrence of a Determination of Taxability, the Series 2021B Bond shall bear interest at the Taxable Rate. If the corporate tax rate changes, the interest on Series 2021B Bond becomes partially taxable, because of any change in federal tax laws or regulations, the Series 2021B Bond becomes subject to a minimum tax or alternative minimum tax; or the economic tax advantage of owning the Series 2021B Bond is otherwise altered by a change in federal tax law, then the Series 2021B Bond shall bear interest at the Taxable Rate. Any interest rate change provided in this paragraph shall be in addition to any other changes required by the Series 2021B Bond or this Agreement.

(e) If any Change in Law shall (i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, the Bondholder (except, to the extent applicable, any reserve requirement reflected in the definition of LIBOR); or (ii) impose on the Bondholder or, to the extent applicable, the London interbank market any other condition, cost or expense affecting this Agreement or the Series 2021B Bond; and the result of any of the foregoing shall be to increase the cost to the Bondholder of making, converting to, continuing or maintaining and Advances or owing the Series 2021B Bond or to reduce the amount of any sum received or receivable by the Bondholder (whether of principal, interest or any other amount), then Borrower shall pay to the Bondholder within ten (10) days after demand, which demand shall contain the basis and calculations supporting such demand, such additional amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as the Bondholder may determine in its sole discretion) as may be required to compensate the Bondholder for such increased costs or reductions in amounts receivable hereunder. Each determination and calculation made by the Bondholder under this clause (e) shall, absent manifest error, be binding and conclusive on the parties hereto.

(f) If the Bondholder determines that any Change in Law affecting the Bondholder or any lending office of the Bondholder or the Bondholder's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on the Bondholder's capital or on the capital of the Bondholder's holding company, if any, as a consequence of this Agreement, the commitments of the Bondholder hereunder or the Series 2021B Bond to a level below that which the Bondholder or the Bondholder's holding company could have achieved but for such Change in Law (taking into consideration the Bondholder's policies and the policies of the Bondholder's holding company with respect to capital adequacy), the Borrower shall pay to the Bondholder within ten (10) days after demand, which demand shall contain the basis and calculations supporting such demand, such additional amount or amounts as will compensate Bondholder or Bondholder's holding company for such reduction. Each determination by Bondholder of amounts owing under this clause (f) shall, absent manifest error, be conclusive and binding on the parties hereto.

Section 6.2 Notification and Limitation of Liability - LIBOR and Related Matters. The interest rate hereunder may be derived from an interest rate benchmark that is, or may in the future become, the subject of regulatory reform. Regulators have signaled the need to use alternative benchmark reference rates for some interest rate benchmarks and, as a result, such interest rate benchmarks may cease to comply

with applicable laws and regulations, may be permanently discontinued, and/or the basis on which they are calculated may change. LIBOR is derived from the London Interbank Offered Rate, which is currently administered by ICE Benchmark Administration Limited ("IBA"). The U.K. Financial Conduct Authority announced in July 2017 that, after December 31, 2021, it would no longer persuade or compel contributing banks to make rate submissions to IBA. Accordingly, it is possible that the London Interbank Offered Rate may no longer be available after such date, may no longer be deemed an appropriate reference rate upon which to determine the interest rate, or may fail to comply with laws and regulations. Section 6.3 hereof provides a mechanism to determine an alternative rate of interest if LIBOR (or any other Benchmark) or any component thereof is no longer available or representative or in certain other circumstances if so elected by the Bondholder, and permits the Bondholder to make changes to give effect to such alternative rate of interest. Neither the Bondholder nor any of its affiliates warrants or accepts any responsibility for, or will have any liability with respect to (i) the administration or submission of, or any other matter related to, the London Interbank Offered Rate, LIBOR (or any component thereof) or any Benchmark Replacement (or any component thereof), including, without limitation, whether any Benchmark Replacement will have the same value as, be economically equivalent to, or have the same volume or liquidity as, LIBOR or the London Interbank Offered Rate or any other Benchmark that is replaced or (ii) the effect, implementation or composition of any Benchmark Replacement Conforming Changes, as defined herein. References herein to a component of, or a published component used in the calculation of, LIBOR are deemed to include the Screen Rate.

Section 6.3 Ineffective Interest Rate; Benchmark Replacement. Notwithstanding anything to the contrary contained herein (including Section 6.1) or in any other Financing Instrument:

(a) If, before the Reference Time for any rate setting hereunder, with respect to LIBOR or any other then-current Benchmark (or any published component thereof):

Benchmark Transition Event- there has been a public statement or publication of information (i) by such rate's administrator (the "Administrator") announcing that the Administrator has ceased or will cease to provide the rate permanently or indefinitely, or by the Administrator's regulatory supervisor, the Federal Reserve Board and/or Federal Reserve Bank of New York (the "FRB/NYFRB"), or an official or entity with insolvency or resolution authority over the Administrator, to the same effect (provided, that at the time of the applicable statement or publication, there is no successor administrator that will continue to provide the rate), and the Administrator has ceased to provide the rate, or (ii) by the Administrator's regulatory supervisor announcing that such rate is no longer representative (in either case, a "Benchmark Transition Event"), or

Early Opt-in- the Bondholder has determined that at least ten U.S. dollar credit facilities contain, as a benchmark rate, any rate based on the secured overnight financing rate and, at least one Business Day before the day such Reference Time occurs, has sent a notice to Borrower of its election to trigger a fallback from LIBOR,

then, without amendment hereto or further action or consent of Borrower, the Issuer or any other Person, such Benchmark shall be replaced for such setting and subsequent settings by the first of the following for a Corresponding Tenor that the Bondholder can determine (a "Benchmark Replacement"):

- (1) **Term SOFR-** a forward-looking term rate based on the secured overnight financing rate ("Term SOFR") selected or recommended by the FRB/NYFRB or a committee officially endorsed or convened thereby (the "Relevant Body") if displayed on a screen or service selected by the Bondholder (a "Screen"), plus the Spread Adjustment.
- (2) **Daily Simple SOFR-** the secured overnight financing rate ("Daily Simple SOFR") if displayed on a Screen (with conventions, including a look-back, established by Lender in

accordance with selections or recommendations by the Relevant Body for business loans, except as Lender determines not to be feasible), plus the Spread Adjustment.

- (3) **Bank Selected**- an alternative rate plus a Spread Adjustment, all selected by the Bondholder giving due consideration to any selection or recommendation by the Relevant Body or evolving or prevailing market conventions.

As used herein, "Reference Time" for a setting means a time determined by the Bondholder, which, for LIBOR, shall represent the time as of which the Screen Rate would have been determined two Business Days earlier; "Corresponding Tenor" means a tenor or period about the same length as the Reference Period; "Spread Adjustment" means an adjustment (which may be a positive or negative value or zero) and, for Term SOFR or Daily Simple SOFR, the first the Bondholder can determine (if displayed on a Screen) of: the spread adjustment (1) selected or recommended by the Relevant Body or (2) applicable to the fallback for a derivative referencing the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto (as then in effect) upon an index cessation event, in either case as of the Reference Time the Benchmark is first set for each period hereunder.

(b) If at any time after a Benchmark Transition Event triggers a Benchmark Replacement (except Term SOFR) the Bondholder determines that the Relevant Body has recommended Term SOFR for credit facilities and that the Bondholder is capable of administering Term SOFR, then if the Bondholder elects to send Borrower a notice thereof, for any rate setting whose Reference Time is at least 30 days after it sends such notice the "Benchmark Replacement" shall revert to and shall be deemed to be as set forth under "Term SOFR" in clause (a) above.

(c) In connection with the implementation of any Benchmark Replacement, the Bondholder may from time to time make any technical, administrative or operational changes ("Benchmark Replacement Conforming Changes") that it decides may be appropriate to reflect the adoption or implementation of any Benchmark Replacement, which may include, among other things, changes affecting the calculation method, the definition of "Reference Period," the definition of "Interest Accrual Period," or the timing or frequency of determining rates (including whether to adjust for intraday republication) or making payments, the length of lookback periods, the applicability of breakage provisions, or the incorporation of floor rates to the Benchmark Replacement or a component thereof (including application of the floor, if any, on the Benchmark that is replaced). Notwithstanding anything to the contrary herein or in any other Financing Instrument, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent from Borrower, the Issuer or any other Person. In addition, if at any time the Bondholder in its sole discretion determines that a Benchmark (or component thereof) is unavailable or otherwise cannot reasonably be ascertained, or has become impractical or unlawful for, or does not adequately and fairly reflect the effective cost to the Bondholder of, making or maintaining this credit, the Bondholder may substitute therefor a value or rate (which may include a Spread Adjustment) on a temporary basis without limiting its right to reinstate such Benchmark (or implement a Benchmark Replacement) thereafter.

(d) Any determination, decision or election that may be made by the Bondholder pursuant to this Section 6.2, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in the Bondholder's sole discretion and without consent from Borrower, the Issuer or any other Person, except, in each case, as may be expressly required pursuant to this Section 6.2.

Section 6.4 Interest Rate shall not Exceed Maximum Rate. Anything provided herein or in the Series 2021B Bond to the contrary notwithstanding, in no event shall interest payable under the Series 2021B Bond exceed the Maximum Rate.

Section 6.5 Unconditional Obligations. The obligations of the Borrower to make, or cause to be made, Required Payments and to perform and observe all other covenants, conditions and agreements hereunder shall be general obligations of the Borrower and shall be absolute and unconditional, irrespective of any defense or any rights of setoff, recoupment or counterclaim the Borrower might otherwise have against the Issuer or the Bondholder. Nothing in this section shall be construed as a waiver by the Borrower of any rights or claims it may have against the Bondholder under this Agreement or otherwise, but any recovery upon such rights and claims shall be had from the Bondholder separately. The Borrower shall not suspend or discontinue any such payment hereunder or fail to observe and perform any of its other covenants, conditions and agreements under the Financing Instruments for any cause, including without limitation any acts or circumstances that may constitute failure of consideration, failure of title to any part or all of the Project, or commercial frustration of purpose, or any damage to or destruction of all or any part of the Project, or any change in the tax or other laws of the United States of America, the State of Florida or any political subdivision of either, or any failure of the Issuer or the Bondholder to observe and perform any covenant, condition or agreement, whether express or implied, or any duty, liability or obligation contained in or arising out of or in connection with any Financing Instrument.

Section 6.6 Issuer Assignment of Rights. The Issuer hereby assigns its right, title and interest in and to this Agreement (except for Sections 7.2, 7.8, 8.7 and 9.4 hereof and the right to receive notices hereunder) and the Series 2021B Note to the Bondholder. The Borrower consents to such assignment and agrees to pay, or cause to be paid, to the Bondholder all amounts payable pursuant to the Series 2021B Note and this Agreement, except for any amounts payable directly to the Issuer pursuant to the provisions hereof.

ARTICLE VII SPECIAL COVENANTS

Section 7.1 Cure by the Bondholder. If the Borrower shall fail to make any payment or perform any act required of it hereunder, the Bondholder, without prior notice to or demand upon the Borrower and without releasing any obligation or waiving any default, may (but shall be under no obligation to) make such payment or perform such act. All amounts so paid by the Bondholder and all costs, fees and expenses so incurred, including reasonable counsel fees, shall be immediately due and payable by the Borrower as an additional obligation under this Agreement, together with interest thereon at the Default Rate, to the extent permitted by law.

Section 7.2 Indemnification. (a) **THE BORROWER AGREES THAT IT WILL AT ALL TIMES INDEMNIFY AND HOLD HARMLESS EACH OF THE INDEMNIFIED PARTIES AGAINST ANY AND ALL LOSSES, INCLUDING LOSSES AS A RESULT OF THE NEGLIGENT ACTS OR OMISSIONS OF ANY INDEMNIFIED PARTY, OTHER THAN LOSSES RESULTING FROM FRAUD, WILLFUL MISCONDUCT OR THEFT ON THE PART OF THE INDEMNIFIED PARTY CLAIMING INDEMNIFICATION.**

(b) **NONE OF THE INDEMNIFIED PARTIES SHALL BE LIABLE TO THE BORROWER FOR, AND THE BORROWER HEREBY RELEASES EACH OF THEM FROM, ALL LIABILITY TO THE BORROWER FOR, ALL INJURIES, DAMAGES OR DESTRUCTION TO ALL OR ANY PART OF ANY PROPERTY OWNED OR CLAIMED BY THE BORROWER THAT DIRECTLY OR INDIRECTLY RESULT FROM, ARISE OUT OF OR RELATE TO THE DESIGN, CONSTRUCTION, OPERATION, USE, OCCUPANCY, MAINTENANCE OR OWNERSHIP OF ANY PROJECT OR ANY PART THEREOF, EVEN IF SUCH INJURIES, DAMAGES OR DESTRUCTION DIRECTLY OR INDIRECTLY RESULT FROM, ARISE OUT OF OR RELATE TO, IN WHOLE OR IN PART, ONE OR MORE ACTS OR OMISSIONS, INCLUDING ACTS OR OMISSIONS CONSTITUTING NEGLIGENCE ON THE PART OF ANY INDEMNIFIED PARTY (BUT NOT INCLUDING ACTS OR OMISSIONS CONSTITUTING FRAUD, WILLFUL MISCONDUCT OR THEFT ON THE PART OF THE INDEMNIFIED**

PARTY CLAIMING RELEASE) IN CONNECTION WITH THE ISSUANCE OF ANY SERIES OF THE ISSUER NOTES OR IN CONNECTION WITH ANY PROJECT.

(c) Each Indemnified Party, as appropriate, shall reimburse the Borrower for payments made by the Borrower pursuant to this Section to the extent of any proceeds, net of all expenses of collection, actually received by it from any other source (but not from the proceeds of any claim against any other Indemnified Party) with respect to any Loss to the extent necessary to prevent a recovery of more than the Loss by such Indemnified Party with respect to such Loss. At the request and expense of the Borrower, each Indemnified Party shall claim or prosecute any such rights of recovery from other sources (other than any claim against another Indemnified Party) and such Indemnified Party shall assign its rights to such rights of recovery from other sources (other than any claim against another Indemnified Party), to the extent of such required reimbursement, to the Borrower.

(d) In case any Claim shall be brought or, to the knowledge of any Indemnified Party, threatened against any Indemnified Party in respect of which indemnity may be sought against the Borrower, such Indemnified Party promptly shall notify the Borrower in writing within _____ days of gaining knowledge of such claim; provided, however, that any failure so to notify shall not relieve the Borrower of its obligations under this Section.

(e) The Borrower shall have the right to assume the investigation and defense of all Claims, including the employment of counsel and the payment of all expenses. Each Indemnified Party shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by such Indemnified Party unless (i) the employment of such counsel has been specifically authorized by the Borrower, in writing, (ii) the Borrower has failed after receipt of notice of such Claim to assume the defense and to employ counsel, or (iii) the named parties to any such action (including any impleaded parties) include both an Indemnified Party and the Borrower, and the Indemnified Party shall have been advised by counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the Borrower (in which case, if such Indemnified Party notifies the Borrower in writing that it elects to employ separate counsel at the Borrower's expense, the Borrower shall not have the right to assume the defense of the action on behalf of such Indemnified Party; provided, however, that the Borrower shall not, in connection with any one action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegation or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys for the Indemnified Parties, which firm shall be designated in writing by the Indemnified Parties).

(f) Each Indemnified Party shall cooperate with the Borrower, and the Borrower shall cooperate with each Indemnified Party, in the defense of any action or Claim. The Borrower shall not be liable for any settlement of any action or Claim without the Borrower's consent but, if any such action or Claim is settled with the consent of the Borrower or there be final judgment for the plaintiff in any such action or with respect to any such Claim, the Borrower shall indemnify and hold harmless the Indemnified Parties from and against any Loss by reason of such settlement or judgment to the extent provided in Subsection (a).

(g) The provisions of this Section shall survive the termination of this Agreement, and the obligations of the Borrower hereunder shall apply to Losses or Claims under Subsection (a) whether asserted prior to or after the termination of this Agreement. In the event of failure by the Borrower to observe the covenants, conditions and agreements contained in this Section, any Indemnified Party may take any action at law or in equity to collect amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Borrower under this Section. The obligations of the Borrower under this Section shall not be affected by any assignment or other transfer by the Issuer of its rights, titles or interests under this Agreement and will continue to inure to the benefit

of the Indemnified Parties after any such transfer. The provisions of this Section shall be cumulative with and in addition to any other agreement by the Borrower to indemnify any Indemnified Party.

Section 7.3 Tax Exemption for Series 2021B Bond. (a) The Borrower hereby represents and covenants as follows:

(i) the Borrower will, at the expense of the Borrower, comply with, and make all filings required by, all effective rules, rulings or Regulations promulgated by the Department of the Treasury or the Internal Revenue Service with respect to the obligations such as the Series 2021B Bond, if any;

(ii) the Borrower will continue to conduct its operations in a manner that will result in its continuing to qualify as an organization described in section 501(c)(3) of the Code including but not limited to the timely filing of all returns, reports and requests for determination with the Internal Revenue Service and the timely notification of the Internal Revenue Service of all changes in its organization and purposes from the organization and purposes previously disclosed to the Internal Revenue Service;

(iii) the Borrower will not divert any substantial part of its corpus or income for a purpose or purposes other than those for which it is organized and operated as described in Section 7.4 hereof;

(iv) the proceeds of the Series 2021B Bond and any investment earnings thereon will be expended for the purposes set forth in this Agreement;

(v) the Borrower will not use or invest the proceeds of the Series 2021B Bond or any investment earnings thereon in a manner that will result in the Series 2021B Bond becoming a private activity bond (other than a qualified 501(c)(3) bond) within the meaning of sections 141 and 145 of the Code;

(vi) the Borrower will not use or permit to be used more than 5% of the proceeds of the Series 2021B Bond, directly or indirectly, in any trade or business carried on by any person who is not a governmental unit or an organization described in section 501(c)(3) of the Code. For purposes of the preceding sentence, use of the proceeds by an organization described in section 501(c)(3) of the Code with respect to an "unrelated trade or business", determined in accordance with section 513(a) of the Code, does not constitute a use by an organization described in section 501(c)(3) of the Code; further any use of proceeds of the Series 2021B Bond or any investment earnings thereon in any manner contrary to the guidelines set forth in Revenue Procedure 2017-13, including any revisions or amendments thereto, shall constitute the use of such proceeds in the trade or business of a nonexempt person;

(vii) the Borrower will not use or permit the use of any portion of the proceeds of the Series 2021B Bond, directly or indirectly, to make or finance loans to any person who is not a governmental unit or an organization described in section 501(c)(3) of the Code. For purposes of the preceding sentence, a loan to an organization described in section 501(c)(3) of the Code for use with respect to an "unrelated trade or business" does not constitute a loan to such a unit or organization;

(viii) the Borrower will refrain from taking any action that would result in the Series 2021B Bond being "federally guaranteed" within the meaning of section 149(b) of the Code;

(ix) the Borrower will refrain from using any portion of the proceeds of the Series 2021B Bond, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Series 2021B Bond, other than investment property acquired with

(1) proceeds of the Series 2021B Bond invested for a reasonable temporary period equal to the lesser of three years or until such proceeds are needed for the purpose for which such bonds are issued,

(2) amounts invested in a bona fide debt service fund, within the meaning of Section 1.148-1 (b) of the Treasury Regulations, and

- (3) amounts deposited in any reasonable required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the stated principal amount (or, in the case of a discount, the issue price) of the Series 2021B Bond;
- (i) the Borrower will otherwise restrict the use of the proceeds of the Series 2021B Bond or amounts treated as proceeds of the Series 2021B Bond, as may be necessary, so that the Series 2021B Bond does not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);
- (ii) the Borrower will refrain from using the proceeds of the Series 2021B Bond to pay debt service on another issue more than 90 days after the date of issue of the Series 2021B Bond, in contravention of the requirements of section 149(d) of the Code (relating to advance refundings);
- (iii) the Borrower will use no more than two percent of the proceeds from the sale of the Series 2021B Bond for the payment of Costs of Issuance (including underwriter's discount, if any); and
- (iv) the Borrower will use no portion of the proceeds of the Series 2021B Bond to provide any airplane, sky-box or other private luxury box, health club facility, facility primarily used for gambling, or store the principal business of which is the sale of alcoholic beverages for consumption off premises.
- (b) No person, or any related party, as defined in Section 1.150-1 of the Treasury Regulations, from whom the Issuer or the Borrower may acquire obligations, shall, pursuant to an arrangement, formal or informal, purchase the Series 2021B Bond in an amount related to the amount of the obligations to be acquired from such person by the Issuer of the Borrower.

For purposes of the foregoing, the Issuer and the Borrower understand that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Series 2021B Bond. It is the understanding of the Issuer and the Borrower that the covenants contained in this Section are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Series 2021B Bond, the Issuer and the Series 2021B Bond will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of Bond Counsel, will not adversely affect the exemption from federal income taxation of interest on the Series 2021B Bond under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Series 2021B Bond, the Issuer and the Borrower agree to comply with the additional requirements to the extent necessary, in the opinion of Bond Counsel, to preserve the exemption from federal income taxation of interest on the Series 2021B Bond under section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the Issuer Representative to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Series 2021B Bond.

Section 7.4 Representations and Warranties as to Tax Exempt Status of Borrower.

The Borrower hereby represents and warrants as follows:

- (a) the Borrower is an organization exempt from federal income taxation under section 501(a) of the Code by virtue of being described in section 501(c)(3) of the Code;
- (b) the purposes, character, activities and methods of operation of the Borrower and are not materially different from the purposes, character, activities and methods of operation at the time of its receipt of a determination by the Internal Revenue Service that it is an organization described in section 501(c)(3) of the Code (the "Determination");

(c) the Borrower has not diverted a substantial part of its corpus or income for a purpose or purposes other than the purpose or purposes for which it is organized or operated and disclosed to the Internal Revenue Service in connection with the Determination;

(d) the Borrower has not operated since its organization in a manner that would result in it being classified as an "action" organization within the meaning of Section 1.501(c)(3)-1(c)(3) of the Regulations including, but not limited to, promoting or attempting to influence legislation by propaganda or otherwise as a substantial part of its activities;

(e) with the exception of the payment of compensation (and the payment or reimbursement of expenses) which is not excessive and is for personal services which are reasonable and necessary to carrying out the purposes of the Borrower, no person controlled by any such individual or individuals nor any person having a personal or private interest in the activities of the Borrower has acquired or received, directly or indirectly, any income or assets, regardless of form, of the Borrower during the current fiscal year and the period, if any, preceding the current fiscal year, other than as reported to the Internal Revenue Service by the Borrower;

(f) the Borrower is not a "private foundation" within the meaning of section 509(a) of the Code;

(g) the Borrower has not received any indication or notice whatsoever to the effect that its exemption under section 501(c)(3) of the Code has been revoked or modified, or that the Internal Revenue Service is considering revoking or modifying such exemption, and such exemption is still in full force and effect;

(h) the Borrower has filed with the Internal Revenue Service all requests for determination, reports and returns required to be filed by it and such requests for determination, reports and returns have not omitted or misstated any material fact and has notified the Internal Revenue Service of any changes in its organization and operation since the date of the application for the Determination;

(i) the Borrower has not devoted more than an insubstantial part of its activities in furtherance of a purpose other than an exempt purpose within the meaning of section 501(c)(3) of the Code; and

(j) the Borrower has not taken any action, nor does it know of any action that any other person has taken, nor does it know of the existence of any condition, which would cause the Borrower to lose its exemption from taxation under section 501(a) of the Code or cause the interest on the Series 2021B Bond to become taxable to the recipient thereof because such interest is not excludable from the gross income of such recipient for federal income tax purposes under section 103(a) of the Code.

Section 7.5 Allocation of, and Limitation on, Expenditures for the Project. The Borrower covenants to account for the expenditure of proceeds of the Series 2021B Bond and investment earnings thereon to be used for the Costs of the Project on its books and records by allocating proceeds to expenditures within 18 months of the later of the date that (i) the expenditure is made, or (ii) the Project is completed. The foregoing notwithstanding, the Borrower shall not expend such proceeds or investment earnings thereon more than 60 days after the earlier of (i) the fifth anniversary of the delivery of the Series 2021B Bond or (ii) the date the Series 2021B Bond is retired, unless the Borrower obtains an opinion of Bond Counsel that such expenditure will not adversely affect the tax-exempt status of the Series 2021B Bond. For purposes hereof, the Borrower shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of interest.

Section 7.6 Disposition of Project. The Borrower covenants that the property constituting the Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the Borrower of cash or other compensation, unless the Borrower obtains an opinion of Bond Counsel that such sale or other

disposition will not adversely affect the exclusion of interest on the Series 2021B Bond from the gross income of the owners thereof for federal income tax purposes.

Section 7.7 Written Procedures.

(a) The Borrower (i) has designated the Chief Financial Officer of the Borrower as the person who will contact the Issuer and its counsel in the event of any change of use of any portion of the Project within 15 days of such change in use event, and (ii) will provide, within 60 days of such date, a rebate report or a letter (prepared by a CPA, nationally recognized rebate consultant or Bond Counsel) stating that a rebate report is not required.

(b) The Issuer has designated its Chairman or Vice Chairman as the person who (i) will receive notice by the person described in the preceding paragraph of any change of use of the Project and who will determine, upon consultation with Bond Counsel, whether to take any remedial action or any other remedy available at law to ensure that the tax-exempt status of the Series 2021B Bond is preserved following such change of use, and (ii) will receive the aforementioned rebate report or letter stating that such report is not required.

Section 7.8 Payment of Administration Expenses. In consideration of the agreement of the Issuer to issue the Series 2021B Bond and loan the proceeds thereof to provide financing for the Project, the Borrower hereby agrees to pay any and all costs paid or incurred by the Issuer in connection with the financing or refinancing of the Project, whenever incurred, including out of pocket expenses and compensation in connection with the issuance of the Series 2021B Bond, including, without limitation, reasonable sums for reimbursement of the fees and expenses incurred by the Issuer's financial advisors, consultants and legal counsel in connection with the Project and the issuance of the Series 2021B Bond.

**ARTICLE VIII
ADDITIONAL COVENANTS**

Section 8.1 No Warranty of Merchantability, Condition or Suitability by the Issuer or the Bondholder. Neither the Issuer nor the Bondholder makes no warranty, either express or implied, as to the condition of the Project or that the Project will be suitable for the Borrower's purposes or needs. Without limiting the effect of the preceding sentence, it is expressly agreed that in connection with each sale or conveyance pursuant to this Agreement the Issuer and the Bondholder make NO WARRANTY OF MERCHANTABILITY.

Section 8.2 Nonsectarian Use. The Borrower agrees that no proceeds of the Series 2021B Bond will be used to construct, acquire or install any portion of the Project which is intended to be used or which are being used for sectarian purposes.

Section 8.3 Further Assurances. The Issuer and the Borrower agree that they will, from time to time, execute, acknowledge, and deliver, or cause to be executed, acknowledged, and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the intention of or facilitating the performance of this Agreement.

Section 8.4 Authority of Borrower. Whenever under the provisions of this Agreement the approval of the Borrower is required, or the Issuer is required to take some action at the request of the Borrower, such approval or such request shall be made by the Borrower unless otherwise specified in this Agreement and the Issuer shall be authorized to act on any such approval or request and the Borrower shall have no complaint against the Issuer as a result of any action taken.

Section 8.5 Authority of Issuer Representative. Whenever under the provisions of this Agreement the approval of the Issuer is required, or the Borrower is required to take some action at the request of the Issuer, such approval or such request shall be made by the Issuer Representative unless.

otherwise specified in this Agreement and the Borrower shall be authorized to act on any such approval or request and the Issuer shall have no complaint against the Borrower as a result of any such action taken.

Section 8.6 No Personal Liability. No obligations contained in the Series 2021B Bond or this Agreement shall be deemed to be the obligations of any officer, director, commissioners, trustee, agent or employee of the Issuer, the Borrower, St. Johns County, Florida or the Bondholder, in his or her individual capacity, and neither the governing body of the Issuer or the Borrower, St. Johns County, Florida or the Bondholder, any official of the Issuer or St. Johns County, Florida nor any official of the Issuer executing the Series 2021B Bond or this Agreement shall be liable personally thereon or be subject to any personal liability or accountability with respect thereto.

Section 8.7 Fees and Expenses. The Borrower agrees to pay promptly upon demand therefor all costs paid, incurred or charged by the Issuer or the Bondholder in connection with the Series 2021B Bond, including without limitation, (i) all fees required to be paid to the Issuer or the Bondholder with respect to the Series 2021B Bond, (ii) all out of pocket expenses and Costs of Issuance (including reasonable fees and expenses of attorneys employed by the Issuer or the Bondholder) reasonably incurred by the Issuer in connection with the issuance of the Series 2021B Bond and (iii) all out of pocket expenses (including reasonable fees and expenses of attorneys employed by the Issuer or the Bondholder) reasonably incurred by the Issuer or the Bondholder in connection with the enforcement of any of its rights or remedies or the performance of its duties under this Agreement.

ARTICLE IX EVENTS OF DEFAULT AND REMEDIES

Section 9.1 Event of Default. Each of the following shall be an Event of Default:

(a) Failure of the Borrower to make, or cause to be made, any payment of principal of or interest on the Series 2021B Note or this Agreement when due.

(b) Failure of the Borrower to observe or perform any of its other covenants, conditions or agreements hereunder or under any other Borrower Document, which does not constitute an Event of Default under any other provision of this Section 9.1, for a period of 60 days after notice (unless the Borrower and the Bondholder shall agree in writing to an extension of such time prior to its expiration), specifying such failure and requesting that it be remedied, given by the Bondholder to the Borrower.

(c) An Event of Default shall occur under the Master Indenture.

Section 9.2 Remedies on Default. Upon the occurrence and continuation of an Event of Default, the Bondholder may:

(a) In the event that the payment of the principal of and interest on the Series 2021B Note have been declared due and payable immediately by the Master Trustee, by notice in writing given to the Borrower, declare all payments hereunder and under the Series 2021B Bond to be immediately due and payable;

(b) To the extent permitted thereby, exercise or direct the Master Trustee to exercise any remedy provided under the Master Indenture; and

(c) Take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or under the Series 2021B Bond or the Series 2021B Note or to enforce observance or performance of any covenant, condition or agreement of the Borrower under this Agreement.

The Bondholder shall give notice to the Borrower of the exercise by the Bondholder of any of the rights or remedies under this Section 9.2 (i) in writing in the manner provided in Section 11.9 and (ii) by

telephone or facsimile, provided that failure to give such notice by telephone or facsimile shall not affect the validity of the exercise of any right or remedy under this Section 9.2.

Any obligation of the Bondholder to advance any theretofore undisbursed proceeds of the Series 2021B Bond shall immediately cease and be of no further force nor effect upon the occurrence of an Event of Default.

In the enforcement of the remedies provided in this Section 9.2, the Bondholder may treat all reasonable expenses of enforcement, including, without limitation, legal, accounting and advertising fees and expenses, as additional amounts payable by the Borrower then due and owing and the Borrower agrees to pay such additional amounts upon demand, the amount of such legal fees to be without regard to any statutory presumption.

Section 9.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Bondholder is intended to be exclusive of any other remedy, and every remedy shall be cumulative and in addition to every other remedy herein or now or hereafter existing at law, in equity or by statute. No delay or failure to exercise any right or power accruing upon an Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, and any such right or power may be exercised from time to time and as often as may be deemed expedient.

Section 9.4 Counsel Fees and Other Expenses. The Borrower shall on demand pay to the Issuer and the Bondholder the reasonable counsel fees and other reasonable expenses incurred by either of them in the collection of payments hereunder or the enforcement of any other obligation of the Borrower upon an Event of Default. Further, the Borrower's obligation to pay the expenses of the Issuer, the Bondholder, or any other expenses because of the occurrence of an Event of Default shall survive Payment of the Series 2021B Bond.

Section 9.5 No Additional Waiver Implied by One Waiver. If any party or its assignee waives a default by any other party under any covenant, condition or agreement herein, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

ARTICLE X PREPAYMENT

Section 10.1 Optional Prepayment. The Series 2021B Bond may be redeemed and prepaid by the Issuer, at the direction of the Borrower, in whole or in part at any time at a price equal to par plus accrued interest to the date of prepayment.

Section 10.2 Borrower Obligation to Prepay. Whenever the Borrower shall direct the Issuer to make a prepayment of the Series 2021B Bond, the Borrower shall prepay its obligations under this Agreement and the Series 2021B Note by making such prepayment of the Series 2021B Bond for the account of the Issuer. Such prepayment of the Series 2021B Bond shall be deemed a prepayment of the Borrower's obligations hereunder and under the Series 2021B Note in the same amount. Prepayment of the Series 2021B Bond in full shall discharge the Borrower from its obligations under this Agreement and the Series 2021B Note (other than obligations which survive Payment of the Series 2021B Bond), but only if such prepayment shall constitute Payment of the Series 2021B Bond.

Section 10.3 Prepayment from Entrance Fees. The Bondholder shall apply amounts transferred by the Master Trustee to the Bondholder pursuant to Section 3.06(b) SECOND of the Supplemental Indenture to the redemption of the outstanding principal amount of the Series 2021B Bond and the payment of accrued interest payable upon such redemption.

ARTICLE XI MISCELLANEOUS

Section 11.1 Term of Agreement. This Agreement shall be effective upon execution and delivery hereof. Subject to earlier satisfaction upon prepayment of all of the Borrower's obligations hereunder pursuant to Article X and the making in full of all other Required Payments due and payable at the date of such prepayment and subject to any provisions hereof which survive Payment of the Series 2021B Bond, the Borrower's obligations hereunder shall expire on the date provided in the Series 2021B Bond for the final payment of principal thereon, or if all Required Payments have not been made on such date, when all Required Payments shall have been made.

Section 11.2 If Payment or Performance Date is Not a Business Day. If the specified or last date for the making of any payment, the performance of any act or the exercising of any right, as provided in this Agreement is not a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day; provided that interest shall accrue during any such period during which payment shall not occur.

Section 11.3 Successors and Assigns. This Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns. No assignment by the Borrower shall relieve the Borrower of its obligations hereunder.

Section 11.4 Severability. If any provision of this Agreement shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof.

Section 11.5 Applicable Law; Entire Understanding. This Agreement shall be governed by the applicable laws of the State of Florida. This Agreement expresses the entire understanding and all agreements between the parties and may not be modified except in a writing signed by the parties. This Agreement may not be modified before Payment of the Series 2021B Bond without the prior written consent of the Bondholder and the Borrower.

Section 11.6 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original, and all of which together shall constitute but one and the same instrument.

Section 11.7 Notices. Except as may otherwise be provided herein, all demands, notices, approvals, consents, requests and other communications hereunder shall be in writing and shall be delivered or given by first class mail, postage prepaid, or overnight courier addressed as follows:

(a) If to the Borrower, at:

Life Care Ponte Vedra, Inc.
1000 Vicar's Landing Way
Ponte Vedra Beach, Florida 32082
Telephone: (904) 273-1700
Email: bjones@vicarslanding.com
Attention: Chief Executive Officer

with a copy to:

Purcell, Flanagan, Hay & Greene
1548 Lancaster Terrace
Jacksonville, Florida 32204
Telephone: (904) 355-0355
Email: cgreene@pfhglaw.com
Attention: Christopher J. Greene

(b) If to the Issuer, at:

St. Johns County Industrial Development Authority
500 San Sebastian View
St. Augustine, Florida 32084
Telephone: (904) 209-0560
Attention: Jennifer Zuberer
Email: jzuberer@sjcfl.us

with a copy to:

Geoffrey B. Dobson, P.A.
P.O. Box 3588
St. Augustine, Florida 32085-3588
Email: cuna66@aol.com

(c) If to the Bondholder, at:

BBVA Mortgage Corporation
11060 Skinner Lake Drive
Jacksonville, Florida 32246
Attention: David Davis
Telephone: (904) 564-8630
Email: david.davis@bbva.com

The Borrower, the Issuer and the Bondholder may, by notice given hereunder, designate any further or different addresses to which subsequent demands, notices, approvals, consents, requests and other communications shall be sent or persons to whose attention the same shall be directed.

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IN WITNESS WHEREOF, the Issuer, the Bondholder and the Borrower have caused this Agreement to be executed in their respective names, all as of the date first above written.

**ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**, as Issuer

Authorized Representative

BBVA Mortgage Corporation, as Bondholder

By: _____
Authorized Representative

LIFE CARE PONTE VEDRA, INC., as Borrower

By: _____
Authorized Representative

EXHIBIT A
(FORM OF SERIES 2021B BOND)

EXHIBIT B
FORM OF SERIES 2021B NOTE

EXHIBIT C
THE PROJECT

EXHIBIT "F"

Bond Documents List

Exhibit "A"	Form of Bond Indenture
Exhibit "B"	Form of Loan Agreement
Exhibit "C"	Form of Bond Purchase Agreement
Exhibit "D"	Form of Preliminary Official Statement
Exhibit "E"	Form of Financing Agreement