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Jan 30 2018

STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

Opelika Retirement Investors, LLC
Opelika Senior Services, LLC
2235 Candies Lane NW
Cleveland, TN 37312
(423)478-8071 – office
(423)478-8072 - fax

January 29, 2018

Via Email shpda.online@shpda.alabama.gov

Alva M. Lambert
Executive Director
State Health Planning and Development Agency
100 North Union Street, Suite 870
Montgomery, AL 36104

Re: ***Notice of Change of Ownership - Manor House of Opelika (the "Facility")***

Dear Mr. Lambert:

Please find enclosed the State Health Planning & Development Agency forms relating to the "Change of Ownership" of Opelika ALF, LLC/ dba Manor House of Opelika SCALF (License #P4103) located in Opelika, Alabama. Additionally, we have included the required fee of \$2500.00. The proposed acquisition transition date is February 23, 2018 pending approvals from SHPDA and ADPH.

On behalf of Opelika Retirement Investors, LLC (the "**Applicant**"), we respectfully submit to the State Health Planning and Development Agency ("**SHPDA**") this letter as an attachment to the Notice of Change of Ownership form that we are filing pursuant to Chapter 410-1-7-.04, Rules and Regulations of the Alabama Certificate of Need Program (the "**Rules**") for the above referenced Facility in conjunction with the entry into an Asset Purchase Agreement dated December 15, 2017, by and between Derek Pierce, acting solely in his capacity as court-appointed receiver (the "**Receiver**") under the Order Appointing Receiver¹ (the "**Receivership Order**") entered by the United States District Court for the District of New Jersey in the case styled *Securities and Exchange Commission v. Dwayne Edwards, et. al.*, Case No. 17-cv-393 (the "**Receivership Court**") and the Applicant (the "**APA**"). The APA provides that the Facility will be sold at a public auction utilizing procedures approved by the Receivership Court (the "**Auction**"). On January 5, 2018, the Receivership Court entered an order approving the Applicant as the stalking horse bidder at the Auction, approving the APA, and establishing the Auction procedures.

The Facility along with Opelika ALF, LLC, Oxtan Court of Opelika, LLC, and Manor House of Opelika, LLC, were placed into receivership on January 20, 2017. However, previously, in June of 2016, the CON for the Facility was transferred by the manager of the

¹ The Receivership Order is attached hereto as **Attachment 1**.

Mr. Alva Lambert
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Opelika, LLC, to the sub-manager of the Facility, Affinity Living Group, LLC ("**Affinity**"), in conjunction with ADPH's required transfer of the Facility license to Affinity, so as to prevent the revocation of the Facility license, due to regulatory concerns regarding the prior Facility license holder's owner, Dwayne Edwards.² Affinity has entered into the enclosed License Surrender and Transfer Cooperation Agreement³ whereby it has agreed to cooperate with and assist the Applicant in obtaining approval from SHPDA to transfer the Facility CON upon the Receivership Court issuing a Sale Order approving the Applicant as the successful purchaser at the Auction.

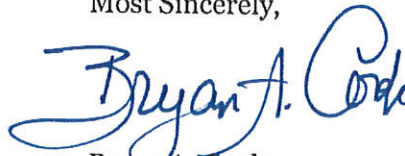
The proposed change of ownership will be as a result of a court-approved sale of the Facility at the Auction at which the Applicant anticipates that it will be the successful purchaser of the Facility, a SCALF facility located in Lee County, from Opelika ALF, LLC through its Receiver (the "**Current Owner**") pursuant to the terms of the APA..

The financial scope of the proposed transaction is that the proposed transaction is a sale of substantially all of the assets of the Facility. Pursuant to the terms of the APA, the Applicant has agreed to purchase the Facility's assets for \$2 million dollars, which will be the Applicant's initial bid at the public auction. Based upon: the enclosed Notice as well as the fact that the SCALF services to be offered are already being offered at this location by the Receiver and there will be no change in health services, there will be no conversion of beds, and there will be no increase or decrease in bed capacity, we respectfully request that you exercise your authority under Chapter 410-1-7-.04(2) of the Rules and determine that a Certificate of Need is not required for the consummation of this proposed transaction.

We stand ready to answer any questions you may have or clarify any details needing elaboration relating to the transfer of ownership and operation of Manor House of Opelika.

Please feel free to contact me at (423)605-0850 if any additional information is required. Thank you for your attention to this matter.

Most Sincerely,



Bryan A. Cook
Member

Enclosures

² See Meridian Senior Living letter dated May 27, 2016, and attached hereto as **Attachment 2**.

³ The License Surrender and Transfer Cooperation Agreement is attached hereto as **Attachment 3**.

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

v.

DWAYNE EDWARDS, et al.,

Defendants,

-and-

OXTON SENIOR LIVING, LLC, et al.,

Relief Defendants.

17. Civ. 393 (ES)

~~PROPOSED~~ ORDER APPOINTING RECEIVER

WHEREAS this matter has come before this Court upon motion of the Plaintiff Securities and Exchange Commission (“SEC”, “Commission” or “Plaintiff”) to appoint a receiver in the above-captioned action;

WHEREAS the Court finds that, based on the record in these proceedings, the appointment of a receiver in this action is necessary and appropriate for the purposes of marshaling and preserving all assets of the facilities, borrowers, and management companies listed on Exhibit A to this Order (collectively, the “Receivership Entities”) as follows: (i) for each facility, borrower, and management company in Group 1, immediately; (ii) for each facility, borrower, and management company in Group 2, once their respective state or federal court receiver orders are vacated; and (iii) for each facility, borrower, and management company in Group 3, once each of the respective Chapter 11 bankruptcy actions are dismissed;

WHEREAS this Court has subject matter jurisdiction over this action and personal jurisdiction over both the individual defendants, Dwayne Edwards (“Edwards”) and Todd Barker (“Barker”), and the entity defendants, Senior Solutions of Social Circle, LLC, Oxton Place of Douglas, LLC, Oxton Real Estate of Douglas, LLC, Rome ALF, LLC, Savannah ALF, LLC, Gainesville ALF, LLC, Waterford Place ALF, LLC, Montgomery ALF, LLC, Columbus ALF, LLC, and Opelika ALF, LLC (collectively, “Defendants”), and venue properly lies in this District.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. This Court hereby takes exclusive jurisdiction and possession of the assets, of whatever kind and wherever situated, of the Group 1 Receivership Entities immediately.
2. This Court shall take exclusive jurisdiction and possession of the assets, of whatever kind and wherever situated, of the Group 2 Receivership Entities immediately and automatically upon the entry of orders vacating the receiver orders previously entered in the pending litigation listed in Exhibit A. Within two (2) business days of the entry of such vacatur orders, Plaintiff shall notify the Court of the vacatur.
3. This Court shall take exclusive jurisdiction and possession of the assets, of whatever kind and wherever situated, of the Group 3 Receivership Entities immediately and automatically upon the dismissal of the Chapter 11 bankruptcy cases listed in Exhibit A. Within two (2) business days of the dismissal of these actions, Plaintiff shall notify the Court of the dismissal.
4. Until further Order of this Court, Derek Pierce is hereby appointed to serve without bond as receiver (the “Receiver”) for the receivership estate of the Receivership Entities (the “Receivership Estate”).

I. General Powers and Duties of Receiver

5. The Receiver shall have all powers, authorities, rights and privileges heretofore possessed by the officers, directors, managers, managing members, and general and limited partners of the Receivership Entities under applicable state and federal law, by the governing charters, by-laws, articles and/or agreements in addition to all powers and authority of a receiver at equity, and all powers conferred upon a receiver by the provisions of 28 U.S.C. §§ 754, 959 and 1692, and Fed. R. Civ. P. 66.

6. Edwards and Barker are hereby dismissed from any and all positions of management of the Receivership Entities, and the powers of any officers, directors, managing members, general and limited partners of the Receivership Entities are hereby subject to the authority and discretion of the Receiver. The Receiver shall assume and control the operation of the Receivership Entities and shall pursue and preserve all of the Receivership Entities' claims.

7. No person holding or claiming any position of any sort with any of the Receivership Entities shall possess any authority to act by or on behalf of any of the Receivership Entities except as may be authorized or delegated by the Receiver.

8. Subject to the specific provisions in this Order, the Receiver shall have the following general powers and duties:

a. To use reasonable efforts to determine the nature, location and value of all property interests of the Receivership Entities, including, but not limited to, monies, funds, securities, credits, effects, goods, chattels, lands, premises, leases, claims, rights and other assets, together with all rents, profits, dividends, interest or other income attributable thereto, of whatever kind, which the Receivership Entities own, possess, have a beneficial interest in, or control directly or indirectly ("Receivership Property");

b. To take custody, control and possession of all Receivership Property and records relevant thereto from the Receivership Entities; to sue for and collect, recover, receive and take into possession from third parties all Receivership Property and records relevant thereto;

c. To manage, control, operate and maintain the Receivership Entities and hold in his possession, custody and control all Receivership Property, pending further Order of this Court;

d. To use Receivership Property for the benefit of the Receivership Estate, making payments and disbursements and incurring expenses as may be necessary or advisable in the ordinary course of business in discharging his duties as Receiver;

e. To take any action which, prior to the entry of this Order, could have been taken by the officers, directors, managers, managing members, and general and limited partners, and agents of the Receivership Entities;

f. To engage and employ persons in his discretion to assist him in carrying out his duties and responsibilities hereunder, including, but not limited to, accountants, attorneys, securities traders, registered representatives, financial or business advisers, liquidating agents, real estate agents, forensic experts, brokers, traders or auctioneers, subject to Court approval;

g. To take such action as necessary and appropriate for the preservation of Receivership Property or to prevent the dissipation or concealment of Receivership Property;

h. To issue subpoenas for documents and testimony consistent with the Federal Rules of Civil Procedure;

i. To bring such legal actions based on law or equity in any state, federal, or foreign court as the Receiver deems necessary or appropriate in discharging his duties as Receiver;

j. To pursue, resist and defend all suits, actions, claims and demands which may now be pending or which may be brought by or asserted against the Receivership Estate; and

k. To take such other action as may be approved by this Court.

9. The Receivership Property shall include all funds held by the indenture trustees (the "Trustees") which the Receivership Entities are entitled to receive pursuant to the respective trust indentures (the "Indentures") from the Trustees in each of the nine bond offerings (the "Offerings") that are the subject of this action (the "Trustee Funds"); *provided that* Receivership Property shall not in any event include any property, assets or funds in the possession of any Trustee in which said Trustee has a lien or security interest. All such Trustee Funds shall remain a part of each fund's respective trust estate (the "Trust Estates") and shall remain subject to and governed by the Indentures pursuant to which the Trustee Funds were established. The Trustees are authorized to continue to exercise all rights, obligations and fiduciary duties of a trustee as set forth in the Indenture for each Offering, and all Receivership Property included in the various Trust Estates shall remain subject to and secured by such liens, if any, made a part of the applicable Trust Estate. Any Trustee Funds shall be disbursed in accordance with the written directive of the Receiver for purposes, and in a manner consistent with, the other provisions of this Order.

II. Access to Information

10. Defendants and the Receivership Entities and the past and/or present officers,

directors, managers, managing members, general and limited partners, agents, attorneys, accountants and employees of the Receivership Entities, as well as those acting in their place, are hereby ordered and directed to preserve and turn over to the Receiver forthwith all paper and electronic information of, and/or relating to, the Receivership Entities and/or all Receivership Property; such information shall include but not be limited to books, records, documents, accounts and all other instruments and papers.

11. Within five (5) days of the entry of this Order, Defendants and the Receivership Entities shall file with the Court and serve upon the Receiver and the Commission a sworn statement, listing: (a) all employees (and job titles thereof), other personnel, attorneys, accountants and any other agents or contractors of the Receivership Entities; and (b) the names, addresses and amounts of claims of all known creditors of the Receivership Entities.

12. Within five (5) days of the entry of this Order, Defendants and the Receivership Entities shall provide to the Receiver and the Commission copies of Defendant's and the Receivership Entities' federal income tax returns with all relevant and necessary underlying documentation.

13. The Receivership Entities and the Receivership Entities' past and/or present officers, directors, agents, managers, managing members, general and limited partners, attorneys, employees, and accountants, shall answer under oath to the Receiver all questions which the Receiver may put to them and produce all documents as required by the Receiver regarding the business of the Receivership Entities, or any other matter relevant to the operation or administration of the receivership or the collection of funds due to the Receivership Entities. In the event that the Receiver deems it necessary to require the appearance of the aforementioned persons or entities, the Receiver shall make its discovery requests in accordance with the Federal

Rules of Civil Procedure.

14. The Receiver shall have the power to issue subpoenas to compel testimony of persons or production of records, consistent with the Federal Rules of Civil Procedure and applicable Local Rules, except for the provisions of Fed. R. Civ. P. 26(d)(1), concerning any subject matter within the powers and duties granted by this Order.

15. The Receivership Entities are required to assist the Receiver in fulfilling his duties and obligations. As such, they must respond promptly and truthfully to all requests for information and documents from the Receiver.

III. Access to Books, Records and Accounts

16. The Receiver is authorized to take immediate possession of all assets, bank accounts or other financial accounts, books and records and all other documents or instruments relating to the Receivership Entities. All persons and entities having control, custody or possession of any Receivership Property are hereby directed to turn such property over to the Receiver.

17. The Receivership Entities, as well as their past and/or present officers, directors, agents, managers, managing members, general and limited partners, attorneys, employees, and accountants, any persons acting for or on behalf of the Receivership Entities, and any persons receiving notice of this Order by personal service, facsimile transmission or otherwise, having possession of the property, business, books, records, accounts or assets of the Receivership Entities are hereby directed to deliver the same to the Receiver, his agents and/or employees.

18. All banks, brokerage firms, financial institutions, and other persons or entities which have possession, custody or control of any assets or funds held by, in the name of, or for the benefit of, directly or indirectly, of the Receivership Entities that receive actual notice of this

Order by personal service, facsimile transmission or otherwise shall:

- a. Not liquidate, transfer, sell, convey or otherwise transfer any assets, securities, funds, or accounts in the name of or for the benefit of the Receivership Entities except upon instructions from the Receiver;
- b. Not exercise any form of set-off, alleged set-off, lien, or any form of self-help whatsoever, or refuse to transfer any funds or assets to the Receiver's control without the permission of this Court;
- c. Within five (5) business days of receipt of that notice, file with the Court and serve on the Receiver and counsel for the Commission a certified statement setting forth, with respect to each such account or other asset, the balance in the account or description of the assets as of the close of business on the date of receipt of the notice; and
- d. Cooperate expeditiously in providing information and transferring funds, assets and accounts to the Receiver or at the direction of the Receiver.

IV. Access to Real and Personal Property

19. The Receiver is authorized to take immediate possession of all personal property of the Receivership Entities, wherever located, including but not limited to electronically stored information, computers, laptops, hard drives, external storage drives, and any other such memory, media or electronic storage devices, books, papers, data processing records, evidence of indebtedness, bank records and accounts, savings records and accounts, brokerage records and accounts, certificates of deposit, stocks, bonds, debentures, and other securities and investments, contracts, mortgages, furniture, office supplies and equipment.

20. The Receiver is authorized to take immediate possession of all real property of the

Receivership Entities, wherever located, including but not limited to all ownership and leasehold interests and fixtures. Upon receiving actual notice of this Order by personal service, facsimile transmission or otherwise, Defendants and all other persons other than law enforcement officials acting within the course and scope of their official duties, are (without the express written permission of the Receiver) prohibited from: (a) entering such premises; (b) removing anything from such premises; or, (c) destroying, concealing or erasing anything on such premises. This paragraph shall not apply to: (a) any and all employees and contractors, other than Defendants, who provide the day-to-day operation, management, and servicing of any facilities owned or leased by any of the Receivership Entities, or (b) any residents and guests of any such facilities.

21. In order to execute the express and implied terms of this Order, the Receiver is authorized to change door locks to the premises described above. The Receiver shall have exclusive control of the keys. The Receivership Entities, or any other person acting or purporting to act on their behalf, are ordered not to change the locks in any manner, nor to have duplicate keys made, nor shall they have keys in their possession during the term of the receivership.

22. The Receiver is authorized to open all mail directed to or received by or at the offices or post office boxes of the Receivership Entities, and to inspect all mail opened prior to the entry of this Order, to determine whether items or information therein fall within the mandates of this Order.

V. Notice to Third Parties

23. The Receiver shall promptly give notice of his appointment to all known persons and entities including past and present officers, directors, managers, managing members, general and limited partners, agents, attorneys, accountants, and employees of the Receivership Entities,

as the Receiver deems necessary or advisable to effectuate the operation of the receivership.

24. All persons and entities owing any obligation, debt, or distribution with respect to an ownership interest to any Receivership Entity shall, until further ordered by this Court, pay all such obligations in accordance with the terms thereof to the Receiver and its receipt for such payments shall have the same force and effect as if the Receivership Entity had received such payment.

25. In furtherance of his or her responsibilities in this matter, the Receiver is authorized to communicate with, and/or serve this Order upon, any person, entity or government office that he deems appropriate to inform them of the status of this matter and/or the financial condition of the Receivership Estate. All government offices which maintain public files of security interests in real and personal property shall, consistent with such office's applicable procedures, record this Order upon the request of the Receiver or the SEC.

26. The Receiver is authorized to instruct the United States Postmaster to hold and/or reroute mail which is related, directly or indirectly, to the business, operations or activities of any of the Receivership Entities (the "Receiver's Mail"), including all mail addressed to, or for the benefit of, the Receivership Entities. The Postmaster shall not comply with, and shall immediately report to the Receiver, any change of address or other instruction given by anyone other than the Receiver concerning the Receiver's Mail. The Receivership Entities shall not open any of the Receiver's Mail and shall immediately turn over such mail, regardless of when received, to the Receiver. All personal mail of any individual Receivership Entities, and/or any mail appearing to contain privileged information, and/or any mail not falling within the mandate of the Receiver, shall be released to the named addressee by the Receiver. The foregoing instructions shall apply to any proprietor, whether individual or entity, of any private mail box,

depository, business or service, or mail courier or delivery service, hired, rented or used by the Receivership Entities. The Receivership Entities shall not open a new mailbox, or take any steps or make any arrangements to receive mail in contravention of this Order, whether through the U.S. mail, a private mail depository or courier service.

27. Subject to payment for services provided, any entity furnishing water, electric, telephone, sewage, garbage, trash removal, food, cleaning, and any other services to the Receivership Entities shall maintain such service and transfer any such accounts to the Receiver unless instructed to the contrary by the Receiver.

VI. Injunction Against Interference with Receiver

28. The Receivership Entities and all persons receiving notice of this Order by personal service, facsimile or otherwise, are hereby restrained and enjoined from directly or indirectly taking any action or causing any action to be taken, without the express written agreement of the Receiver, which would:

a. Interfere with the Receiver's efforts to take control, possession, or management of any Receivership Property; such prohibited actions include but are not limited to, using self-help or executing or issuing or causing the execution or issuance of any court attachment, subpoena, replevin, execution, or other process for the purpose of impounding or taking possession of or interfering with or creating or enforcing a lien upon any Receivership Property;

b. Hinder, obstruct or otherwise interfere with the Receiver in the performance of his duties; such prohibited actions include but are not limited to, concealing, destroying or altering records or information;

c. Dissipate or otherwise diminish the value of any Receivership Property;

such prohibited actions include but are not limited to, releasing claims or disposing, transferring, exchanging, assigning or in any way conveying any Receivership Property, enforcing judgments, assessments or claims against any Receivership Property or any Receivership Entity, attempting to modify, cancel, terminate, call, extinguish, revoke or accelerate (the due date), of any lease, loan, mortgage, indebtedness, security agreement or other agreement executed by any Receivership or which otherwise affects any Receivership Property; or

d. Interfere with or harass the Receiver, or interfere in any manner with the exclusive jurisdiction of this Court over the Receivership Estate.

29. Defendants and the Receivership Entities shall cooperate with and assist the Receiver in the performance of his duties.

30. The Receiver shall promptly notify the Court and SEC counsel of any failure or apparent failure of any person or entity to comply in any way with the terms of this Order.

VII. Stay of Litigation

31. As set forth in detail below, and subject to the limitations set forth in Paragraphs 1-3 of this Order, which supersede the litigation stay set forth herein, the following proceedings, excluding the instant proceeding and all police or regulatory actions and actions of the Commission related to the above-captioned enforcement action, are stayed until further Order of this Court:

All civil legal proceedings of any nature, including, but not limited to, bankruptcy proceedings, arbitration proceedings, foreclosure actions, default proceedings, or other actions of any nature against: (a) the Receiver, in his capacity as Receiver; (b) any Receivership Property, wherever located; or (c) any of the Receivership Entities,

including subsidiaries and partnerships (such proceedings are hereinafter referred to as “Ancillary Proceedings”).

32. The parties to any and all Ancillary Proceedings are enjoined from commencing or continuing any such legal proceeding, or from taking any action, in connection with any such proceeding, including, but not limited to, the issuance or employment of process.

33. All Ancillary Proceedings are stayed in their entirety, and all courts having any jurisdiction thereof are enjoined from taking or permitting any action until further Order of this Court. Further, as to a cause of action accrued or accruing in favor of one or more of the Receivership Entities against a third person or party, any applicable statute of limitation is tolled during the period in which this injunction against commencement of legal proceedings is in effect as to that cause of action.

VIII. Managing Assets

34. The Receiver may, without further Order of this Court, transfer, compromise, or otherwise dispose of any Receivership Property, other than real estate and the Facilities (defined below), in the ordinary course of business, on terms and in the manner the Receiver deems most beneficial to the Receivership Estate, and with due regard to the realization of the true and proper value of such Receivership Property.

35. Notwithstanding the prior Paragraph, the Receiver shall silo, and not commingle, either Trustee Funds or the revenues generated by the assisted living or memory care facilities (“Facilities”) serving as collateral for the Offerings with any other Receivership Property.

36. Subject to the specific provisions of this order, the Receiver is authorized to locate, list for sale or lease, engage a broker for sale or lease, cause the sale or lease, and take all necessary and reasonable actions to cause the sale or lease of all real property in the Receivership

Estate, either at public or private sale, on terms and in the manner the Receiver deems most beneficial to the Receivership Estate, and with due regard to the realization of the true and proper value of such real property.

37. Upon further Order of this Court, pursuant to such procedures as may be required by this Court and additional authority such as 28 U.S.C. §§ 2001 and 2004, the Receiver will be authorized to sell, and transfer clear title to, all real property and the Facilities in the Receivership Estate.

38. The Receiver is authorized to take all actions to manage, maintain, and/or wind-down business operations of the Receivership Estate, including making legally required payments to creditors, employees, and agents of the Receivership Estate and communicating with vendors, investors, governmental and regulatory authorities, and others, as appropriate.

39. The Receiver shall take all necessary steps to enable the Receivership Funds to obtain and maintain the status of a taxable "Settlement Fund," within the meaning of Section 468B of the Internal Revenue Code and of the regulations.

40. The Receiver shall use the proceeds of a sale, refinancing or other disposition only in the order and in the manner provided by applicable law, including giving first priority to the repayment of secured indebtedness of the Receivership Entities, and the remainder to be disbursed according to further order of this Court. No Facility subject to bond financing will be sold without the consent of the Trustee holding a lien or security interest in the Facility.

41. The Receiver shall take no action which will be inconsistent with provisions of law governing the operation and administration of the facilities owned by the Receivership Entities and will take all such actions as shall be necessary or appropriate to maintain in full force and effect all public health and other licenses necessary for the operation of the businesses

of the Receivership Entities.

42. No provision of this Order shall be deemed to deprive any Trustee of its lien or secured position in the assets and properties of any of the Receivership Entities, and each said Trustee shall retain the right to apply to this Court from time to time for relief from this Order for any disposition of assets of the Receivership Entities in connection with a sale of one or more Facilities which the Trustees deem in the best interests of the bondholders.

IX. Investigate and Prosecute Claims

43. The Receiver is authorized, empowered and directed to investigate, prosecute, defend, intervene in or otherwise participate in, compromise, and/or adjust actions in any state, federal or foreign court or proceeding of any kind as may in his discretion, and in consultation with SEC counsel, be advisable or proper to recover and/or conserve Receivership Property.

44. Subject to his obligation to expend receivership funds in a reasonable and cost-effective manner, the Receiver is authorized, empowered and directed to investigate the manner in which the financial and business affairs of the Receivership Entities were conducted and (after obtaining leave of this Court) to institute such actions and legal proceedings, for the benefit and on behalf of the Receivership Estate, as the Receiver deems necessary and appropriate; the Receiver may seek, among other legal and equitable relief, the imposition of constructive trusts, disgorgement of profits, asset turnover, avoidance of fraudulent transfers, rescission and restitution, collection of debts, and such other relief from this Court as may be necessary to enforce this Order.

45. The Receiver shall conduct an investigation into the commingling of funds by and between the Receivership Entities with respect to the Facilities. The purpose of the investigation will be to determine the net gain or loss to each Facility as a result of such commingling. The

SEC shall provide the Receiver with any documents and information, including but not limited to bank account records and related analysis, that it has which may aid the Receiver in this investigation. The Receiver shall provide the results of its investigation to the Court, the SEC, and the indenture trustees for the nine bond offerings that are the subject of this action.

46. Before the Receiver disburses any funds to bondholders, from any source, the Receiver shall seek and obtain Court approval as to the Receiver's proposal to resolve the commingling-related claims between and among the Facilities and the Offerings.

47. The Receiver hereby holds, and is therefore empowered to waive, all privileges, including the attorney-client privilege, held by all Receivership Entities.

48. The Receiver has a continuing duty to ensure that there are no conflicts of interest between the Receiver, his Retained Personnel (as that term is defined below), and the Receivership Estate.

X. Bankruptcy Filing

49. The Receiver may seek authorization of this Court to file voluntary petitions for relief under Title 11 of the United States Code (the "Bankruptcy Code") for any or all of the Receivership Entities. If a Receivership Entity is placed in bankruptcy proceedings, the Receiver may become, and may be empowered to operate any portion of the Receivership Estate as, a debtor in possession. In such a situation, the Receiver shall have all of the powers and duties as provided a debtor in possession under the Bankruptcy Code to the exclusion of any other person or entity. Pursuant to Paragraph 5 above, the Receiver is vested with management authority for all Receivership Entities and may therefore file and manage a Chapter 11 petition. *See In re Bayou Group, LLC*, 564 F.3d 541, 548-49 (2d Cir. 2009).

50. The provisions of Section VII above bar any person or entity, other than the

Receiver, from placing any of the Receivership Entities in bankruptcy proceedings.

XI. Liability of Receiver

51. Until further Order of this Court, the Receiver shall not be required to post bond or give an undertaking of any type in connection with his fiduciary obligations in this matter.

52. The Receiver and his agents, acting within scope of such agency (“Retained Personnel”) are entitled to rely on all outstanding rules of law and Orders of this Court and shall not be liable to anyone for their own good faith compliance with any order, rule, law, judgment, or decree. In no event shall the Receiver or Retained Personnel be liable to anyone for their good faith compliance with their duties and responsibilities as Receiver or Retained Personnel.

53. This Court shall retain jurisdiction over any action filed against the Receiver or Retained Personnel based upon acts or omissions committed in their representative capacities.

54. In the event the Receiver decides to resign, the Receiver shall first give written notice to the Commission’s counsel of record and the Court of its intention, and the resignation shall not be effective until the Court appoints a successor. The Receiver shall then follow such instructions as the Court may provide.

XII. Recommendations and Reports

55. The Receiver is authorized, empowered and directed to develop a plan for the fair, reasonable, and efficient recovery and liquidation of all remaining, recovered, and recoverable Receivership Property (the “Liquidation Plan”).

56. Within thirty (30) days after the end of each calendar quarter, the Receiver shall file and serve a full report and accounting of each Receivership Estate (the “Quarterly Status Report”), reflecting (to the best of the Receiver’s knowledge as of the period covered by the report) the existence, value, and location of all Receivership Property, and of the extent of

liabilities, both those claimed to exist by others and those the Receiver believes to be legal obligations of the Receivership Estate.

57. The Quarterly Status Report shall contain the following:
- a. A summary of the operations of the Receiver;
 - b. The amount of cash on hand, the amount and nature of accrued administrative expenses, and the amount of unencumbered funds in the estate;
 - c. A schedule of all the Receiver's receipts and disbursements (attached as an exhibit to the Quarterly Status Report), with one column for the quarterly period covered and a second column for the entire duration of the receivership;
 - d. A description of all known Receivership Property, including approximate or actual valuations, anticipated or proposed dispositions, and reasons for retaining assets where no disposition is intended;
 - e. A description of liquidated and unliquidated claims held by the Receivership Estate, including the need for forensic and/or investigatory resources; approximate valuations of claims; and anticipated or proposed methods of enforcing such claims (including likelihood of success in: (i) reducing the claims to judgment; and, (ii) collecting such judgments);
 - f. A list of all known creditors with their addresses and the amounts of their claims;
 - g. The status of creditor claims proceedings, after such proceedings have been commenced; and
 - h. The Receiver's recommendations for contraction, expansion, continuation or discontinuation of the receivership and the reasons for the recommendations.

58. On the request of the Commission, the Receiver shall provide the Commission with any documentation that the Commission deems necessary to meet its reporting requirements, that is mandated by statute or Congress, or that is otherwise necessary to further the Commission's mission.

XIII. Fees, Expenses and Accountings

59. Subject to the specific provisions of this Order, the Receiver need not obtain Court approval prior to the disbursement of Receivership Funds for expenses in the ordinary course of the administration and operation of the receivership. Further, prior Court approval is not required for payments of applicable federal, state or local taxes.

60. Subject to the specific provisions of this Order, the Receiver is authorized to solicit persons and entities (Retained Personnel) to assist him in carrying out the duties and responsibilities described in this Order. The Receiver shall not engage any Retained Personnel without first obtaining an Order of the Court authorizing such engagement, except that the Receiver may retain both Healthcare Management Partners, LLC ("HMP") and the law firm of Waller Landsden Dortch & Davis, LLP ("Waller") to assist the Receiver in his duties on an interim basis prior to the Court's consideration of HMP's and Waller's retention pursuant to a retention application to be filed with the Court. HMP's and Waller's fees and expenses shall be subject to Court approval.

61. The Receiver and Retained Personnel are entitled to reasonable compensation and expense reimbursement from the Receivership Estate as described in the "Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission" (the "Billing Instructions") agreed to by the Receiver. Such compensation shall require the prior approval of the Court.

62. Within forty-five (45) days after the end of each calendar quarter, the Receiver and Retained Personnel shall apply to the Court for compensation and expense reimbursement from the Receivership Estate (the "Quarterly Fee Applications"). At least thirty (30) days prior to filing each Quarterly Fee Application with the Court, the Receiver will serve upon counsel for the SEC a complete copy of the proposed Application, together with all exhibits and relevant billing information in a format to be provided by SEC staff.

63. All Quarterly Fee Applications will be interim and will be subject to cost benefit and final reviews at the close of the receivership. At the close of the receivership, the Receiver will file a final fee application, describing in detail the costs and benefits associated with all litigation and other actions pursued by the Receiver during the course of the receivership.

64. Quarterly Fee Applications may be subject to a holdback in the amount of 20% of the amount of fees and expenses for each application filed with the Court. The total amounts held back during the course of the receivership will be paid out at the discretion of the Court as part of the final fee application submitted at the close of the receivership.

65. Each Quarterly Fee Application shall:

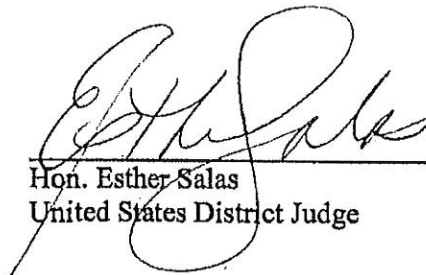
- i. Comply with the terms of the Billing Instructions agreed to by the Receiver; and
- j. Contain representations (in addition to the Certification required by the Billing Instructions) that: (i) the fees and expenses included therein were incurred in the best interests of the Receivership Estate; and, (ii) with the exception of the Billing Instructions, the Receiver has not entered into any agreement, written or oral, express or implied, with any person or entity concerning the amount of compensation paid or to be paid from the Receivership Estate, or any sharing thereof.

66. At the close of the Receivership, the Receiver shall submit a Final Accounting, in a format to be provided by SEC staff, as well as the Receiver's final application for compensation and expense reimbursement.

SO ORDERED.

Dated: Newark, New Jersey

January 20, 2017



Hon. Esther Salas
United States District Judge

Exhibit A

Group	Facility	Borrower Defendant	Management Companies	Pending Litigation
1	Oxton Village of Social Circle d/b/a Manor House of Social Circle 621 N. Cherokee Street Social Circle, Georgia	Senior Solutions of Social Circle, LLC	Oxton Senior Living, LLC Oxton Village of Social Circle, LLC Oxton Village Villas, LLC Manor House Senior Living, LLC Manor House of Social Circle LLC	None
1	Oxton Place of Montgomery d/b/a Manor House of Montgomery 3300 Lynchburg Drive, Montgomery, Alabama	Montgomery ALF, LLC	Oxton Place of Montgomery, LLC Manor House of Montgomery, LLC	None
2	Oxton Place of Rome d/b/a Manor House of Rome 1168 Chulio Road SE, Rome, Georgia	Rome ALF, LLC	Oxton Place of Rome, LLC Manor House of Rome, LLC	<i>BOKF, N.A., as Indenture Trustee v. Rome ALF, LLC et al.</i> , Civ. Action. No. 16CV01749JFL002 (Ga. Sup. Ct., Floyd Cnty.) (filed Sept. 28, 2016)
2	Oxton Court of Savannah d/b/a Manor House of Savannah 249 Holland Drive, Savannah, Georgia	Savannah ALF, LLC	Oxton Court of Savannah, LLC Manor House of Savannah, LLC	<i>BOKF, N.A., as Indenture Trustee v. Savannah ALF, LLC et al.</i> , Civ. Action. No. CV16-0862-KA (Ga. Sup. Ct., Chatham Cnty.) (filed Sept. 28, 2016)
2	Oxton Court at Waterford Place d/b/a Manor House of Waterford Place 3920 Antoinette Drive, Montgomery, Alabama	Waterford Place ALF, LLC	Oxton Court at Waterford Place, LLC Manor House at Waterford Place, LLC	<i>BOKF, N.A., as Indenture Trustee v. Waterford Place ALF, LLC et al.</i> , Civ. Action. No. 03-CV-2016-901323 (Ala Cir. Ct., Montgomery Cnty.) (filed Sept. 30, 2016)

Group	Facility	Borrower Defendant	Management Companies	Pending Litigation
2	Oxton Place of Columbus d/b/a Manor House of Columbus 6830 River Road, Columbus, Georgia	Columbus ALF, LLC	Oxton Place of Green Island, LLC Manor House of Columbus, LLC	<i>BOKF, N.A., as Indenture Trustee v. Columbus ALF, LLC et al.</i> , Civ. Action No. SU16CV279208 (Ga. Supt. Ct., Muscogee Cnty.) (filed Sept. 28, 2016)
2	Oxton Court of Opelika d/b/a Manor House of Opelika 1001 Fox Run Parkway, Opelika, Alabama	Opelika ALF, LLC	Oxton Court of Opelika, LLC Manor House of Opelika, LLC	<i>U.S. Bank N.A., as Trustee v. Opelika ALF, LLC et al.</i> , Civ. Action No. 3:16-cv-00650-WKW (M.D. Ala.) (filed Aug. 9, 2016)
3	Oxton Place of Douglas d/b/a Manor House of Douglas 1360 West Gordon Street, Douglas, Georgia	Oxton Place of Douglas, LLC d/b/a Oxton Real Estate of Douglas, LLC	Oxton Place of Douglas Operations, LLC Manor House of Douglas, LLC	<i>In re Oxton Place of Douglas, LLC</i> , Case No. 16-67316-jrs (Bankr. N.D. Ga.) (filed Sept. 30, 2016)
3	Oxton Place of Gainesville d/b/a Manor House of Gainesville 2030 Windward Lane, Gainesville, Georgia	Gainesville ALF, LLC	Oxton Place of Gainesville, LLC Manor House of Gainesville, LLC	<i>In re Gainesville ALF, LLC</i> , Case No. 16-21959-jrs (Bankr. N.D. Ga.) (filed Sept. 30, 2016)



PO Box 2568
Hickory, NC 28603
Phone: 828.322.5535
meridiansenior.com

RECEIVED

JUN 02 2016

STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

May 27, 2016

To Whom It May Concern:

Affinity Living Group, LLC is applying with ADPH to become the licensee on two SCALFs in Alabama: Oxton Court of Opelika and Oxton Court at Waterford Place.

On Wednesday, May 25th, representatives of our company met with members of the ADPH Division of Healthcare Facilities, including Dennis Blair, Dr. Walter T. Geary, Kelley Mitchell, and Sancha Howard to discuss our desire to become the licensee for these two facilities, plus an ALF in Montgomery that is currently closed. They indicated a willingness to work with us and encouraged us to submit CHOW applications for each of these facilities.

Our intentions are to become the licensed operators for each of these facilities, to become the governing authority that hires or fires the administrator, determines patient care issues, makes payment for facility obligations, etc. To that end, we have entered into sub-management contracts with the owner of these properties. We have attached those contracts to this application.

Attached you will find our two completed SHPDA Change of Ownership applications. (We understand that a SHPDA Change of Ownership application is not required for the ALF.) As required, we will overnight you a \$2,500 check per facility upon submission of each application so that you will have within the required one business day.

Please contact me should you have any questions or need additional information.

Sincerely,

James Walters
Regional Director of Operations
Meridian Senior Living

RECEIVED

CHANGE OF OWNERSHIP

JUN 02 2016

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

Part I: Purchasing Organization Information

RECEIVED

Jan 30 2018

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

Name of Organization: Affinity Living Group, LLC

Facility Name: (ADPH Licensure name) Oxton Court of Opelika

SHPDA ID Number: P4103

Address (PO Box #): 1001 Fox Run Pkwy.

City, State, Zip, County: Opelika, AL 36801 Lee

Number/Type Licensed Beds: 36

Owner(s): Charles G. Trefzger, Jr.

Operator(s): Andrew Carle, James Walters

Part II: Selling Organization Information

Name of Organization: Manor House of Opelika, LLC

Address (PO Box #): P.O. Box 1436

City, State, Zip, County: Social Circle, GA 30025

Number/Type Licensed Beds: 36

Owner(s): Dwayne Edwards

Operator(s): Dwayne Edwards

Part III: Value of Consideration Not a purchase. See attached cover letter.

Monetary Value of Purchase: \$ _____ No./Type Beds: _____

Terms of Purchase: Not a purchase. Management contract attached.
(add more pages as necessary to describe the sale)

Part IV: List of Certificate of Need Authority

Number of Beds: 36

Types of Institutional Health Services: SCALF

List Service Area by County for Home Health Agencies: Lee

On an Attached Sheet Please Address the Following:

- *1.) The financial scope of the project to include the preliminary estimate of costs broken down by equipment, construction, and yearly operating costs.
- *2.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service and whether the service is an extension of a presently offered service, or whether the service is a new service).
- *3.) Whether the proposal will include the addition of any new beds.
- *4.) Whether the proposal will involve the conversion of beds.
- *5.) Whether the assets and stock (if any) will be acquired.

Part V: Certification of Information

I certify that I agree to provide the information necessary (financial, utilization of services and beds, etc.) so the new owner can have the necessary information to complete reports as necessary for the entire fiscal year. The purchaser has agreed to these terms,

Seller(s) Signature(s): _____
Owner(s): [Signature]
Operator(s): _____
Title/Date: Owner - 5/31/16
operator

I certify that I will be responsible for retaining records as necessary to complete reports required for the entire fiscal year, and agree to these terms. I have enclosed a check in the amount of \$2,500 made payable to 'Alabama State Health Planning and Development Agency' to cover the cost of the change of ownership.

YES NO The above Purchaser and Seller have agreed to these purchase terms.

Purchaser Signature: [Signature]
Title/Date: Manager May 31, 2016

RECEIVED

JUN 02 2016

STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

SUB-MANAGEMENT AGREEMENT

FOR

MANOR HOUSE OF OPELIKA

1001 FOX RUN PARKWAY

OPELIKA, ALABAMA 36801

MAY 1, 2016

Owner: Opelika ALF, LLC

**License
Holder: Manor House of Opelika, LLC**

Manager: Affinity Living Group, LLC

LICENSE SURRENDER AND TRANSFER COOPERATION AGREEMENT

THIS LICENSE SURRENDER AND TRANSFER COOPERATION AGREEMENT ("Agreement") is dated as of December 15, 2017, by and between Affinity Living Group, LLC ("License Holder") and Derek Pierce (the "Seller"), acting solely in his capacity as court-appointed receiver under that certain *Order Appointing Receiver* dated January 23, 2017 entered in a civil proceeding currently pending before the United States District Court for the District of New Jersey (the "Court") entitled *Securities and Exchange Commission v. Dwayne Edwards, et al.*, Case No. 17-00393 (the "Receivership Proceeding"). The foregoing parties, collectively, the "Parties" and each a "Party".

RECITALS:

A. **Whereas**, Seller is or will become a party to an Asset Purchase Agreement (the "Purchase Agreement") whereby it agrees or will agree to sell, transfer and convey to a third-party purchaser substantially all of the assets used in connection with the operation of the assisted living facility known as Manor House of Opelika located at 1001 Fox Run Parkway, Opelika, Alabama 36801 a/k/a 701 Brookstone Drive, Opelika, Alabama 36801 (the "Facility"), including without limitation the licenses, permits, and Certificate of Need ("CON") rights associated with such Facility, each to the extent transferrable or assignable, and contingent upon such purchaser being the successful bidder at a public auction (the "Approved Purchaser"), and the Court approving the sale to the Approved Purchaser by entry of a sale order (the "Sale Order");

B. **Whereas**, License Holder is currently managing the Facility and the current holder of the specialty care assisted living facility license for the Facility (the "License"), the License having been granted to the License Holder by the Alabama State Board of Health in 2016 after the License Holder assumed management of the Facility and prior to the commencement of the Receivership Proceeding;

C. **Whereas**, the License Holder or one of its affiliates may bid at the auction of the Facility, and may itself be determined to be the Approved Purchaser at the auction; and

D. **Whereas**, the Parties desire to enter into this Agreement to provide for the surrender of the License by License Holder and, to the extent that License Holder also holds any CON rights to the Facility, the CON for the specialty care assisted living facility beds to the Approved Purchaser upon the issuance of the Sale Order, and to acknowledge and agree to License Holder's cooperation with the Approved Purchaser to transfer License Holder's Facility licensure rights to Approved Purchaser by cooperating in the process by which such Approved Purchaser must obtain a new specialty care assisted living facility license from the Alabama Department of Public Health (the "New License").

NOW, THEREFORE, for and in consideration of the premises, representations, warranties, agreements and covenants hereinafter set forth, and other good and valuable consideration, the receipt and adequacy of which are forever acknowledged and confessed, the parties, intending to be legally bound, hereby agree as follows:

1. **Surrender and Cooperation in Transfer**. If the License Holder or one its affiliates is not the Approved Purchaser, and the Court enters a Sale Order approving a purchaser other than the License Holder, then the License Holder irrevocably and unconditionally agrees to (i) surrender the License upon the issuance of the Sale Order, and to cooperate with the Approved Purchaser in the transfer of such licensure rights through the Alabama Department of Public Health process to obtain the New License for Approved Purchaser to operate the Facility as a specialty care assisted living facility and (ii) turn over to Seller any and all Facility information and records. To the extent that License Holder holds any CON rights to the Facility, License Holder irrevocably and unconditionally agrees to cooperate and assist the Approved Purchaser in

obtaining approval from the Alabama State Health Planning & Development Agency (“SHPDA”) to transfer the CON rights to the Facility to the Approved Purchaser.

2. **Waiver of Right of First Refusal.** License Holder hereby irrevocably waives any right of first refusal granted to License Holder in that certain Sub-Management Agreement by and between License Holder and Manor House of Opelika, LLC, dated May 1, 2016, so long as the sale of the Facility is conducted pursuant to the bidding procedures approved by the Court.

3. **Representations and Warranties.** As an inducement to Purchaser to enter into the Purchase Agreement and to consummate the transactions contemplated thereby, License Holder represents and warrants as follows:

(a) **Organization; Qualification.** License Holder is a limited liability company duly organized, validly existing and in good standing under the Laws of the State of North Carolina, is authorized to do business in the State of Alabama, and has full corporate power and authority to carry on its business as currently conducted and to hold the License for the Facility.

(b) **Authority and Validity.** License Holder has full power, authority and legal capacity to execute, deliver and perform his or its obligations under this Agreement. This Agreement has been duly executed and delivered by License Holder and does not require any further authorization or consent, and is the legal, valid and binding obligations of License Holder, enforceable against License Holder in accordance with its terms.

4. **Further Assurances.** If the License Holder or one its affiliates is not the Approved Purchaser, and the Court enters a Sale Order approving a purchaser other than the License Holder, License Holder agrees to take such additional actions and to execute, acknowledge and deliver any and all other acts, deeds, assignments, powers of attorney, instruments or other documents as may reasonably be required to effect the intent and purposes of this Agreement and the actions contemplated hereby.

5. **Amendment and Modification; Waiver.** This Agreement may be amended, modified and supplemented only by a written instrument authorized and executed by License Holder and Seller. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and executed by the party so waiving. The waiver by either party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other or subsequent breach.

6. **Governing Law; Waiver of Jury Trial.** This Agreement shall be governed by and construed in accordance with the Laws of the State of Alabama, without giving effect to any choice or conflict of Laws provision or rule that would cause the application of the Laws of any other jurisdiction. EACH OF THE PARTIES KNOWINGLY AND VOLUNTARILY WAIVES THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, ARISING OUT OF, OR RELATING TO THIS AGREEMENT OR THE ACTIONS CONTEMPLATED HEREBY.

7. **Severability.** In the event any provision of this Agreement is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality or unenforceability shall in no event affect, prejudice or disturb the validity of the remainder of this Agreement, which shall be and remain in full force and effect, enforceable in accordance with its terms.

8. **Divisions and Headings.** The division of this Agreement into sections and subsections and the use of captions and headings in connection therewith are solely for convenience and shall have no legal effect in construing the provisions of this Agreement. The parties have participated jointly in the negotiation and drafting of this Agreement, and in the event an ambiguity or question of intent or interpretation arises,

this Agreement will be construed as if drafted jointly by the parties hereto and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

9. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by facsimile transmission or Portable Document Format (PDF) shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by facsimile or PDF shall be deemed to be their original signatures for any purposes whatsoever.

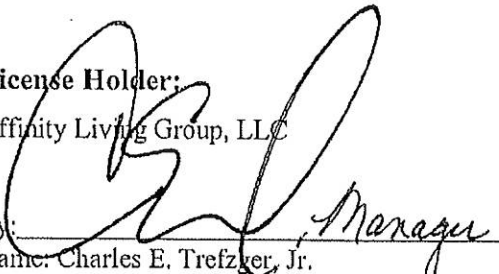
[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by such party or its authorized officer, all as of the date and year first above written.

License Holder:

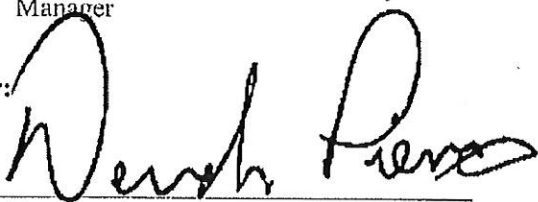
Affinity Living Group, LLC

By:

 Manager
Name: Charles E. Trefzger, Jr.

Title: Manager

Seller:


Derek Pierce, acting solely in his capacity as court-appointed receiver

NOTICE OF CHANGE OF OWNERSHIP/CONTROL

The following notification of intent is provided pursuant to all applicable provisions of ALA. CODE § 22-21-270 (1975 as amended) and ALA. ADMIN. CODE r. 410-1-7-.04. This notice must be filed at least twenty (20) days prior to the transaction.

- Change in Direct Ownership or Control (of a vested Facility; ALA. CODE §§ 22-20-271(d), (e))
 Change in Certificate of Need Holder (ALA. CODE § 22-20-271(f))
 Change in Facility Management (Facility Operator)

Any transaction other than those above-described requires an application for a Certificate of Need.

Part I: Facility Information

SHPDA ID Number: 081-A4110
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)
 Name of Facility/Provider: Manor House of Opelika
(ADPH Licensure Name)
 Physical Address: 1001 Fox Run Parkway
Opelika, Alabama 36801
 County of Location: LEE
 Number of Beds/ESRD Stations: 36
 CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. N/A

Part II: Current Authority (Note: If this transaction will result in a change in direct ownership or control, as defined under ALA. CODE § 22-20-271(e), please attach organizational charts outlining current and proposed structures.)

Owner (Entity Name) of Facility named in Part I: Derek Pierce of Healthcare Management Partners
 Mailing Address: LLC, as receiver for Opelika ALF, LLC
1033 Demonbreun St., Suite ,Nashville TN 37203
 Operator (Entity Name): Affinity Living Group, LLC

Part III: Acquiring Entity Information

Name of Entity: Opelika Retirement Investors, LLC
 Mailing Address: 2232 Candies Lane NW
Cleveland TN 37312

Operator (Entity Name): Opelika Senior Services, LLC

Proposed Date of Transaction Is on or after: 02/23/2018

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ 2,000,000.00

Type of Beds: ALF (Specialty Care)

Number of Beds/ESRD Stations: 36

Financial Scope: to Include Preliminary Estimate of the Cost Broken Down by Equipment, Construction, and Yearly Operating Cost:

Projected Equipment Cost: \$ 0.00

Projected Construction Cost: \$ 0.00

Projected Yearly Operating Cost: \$ 1,150,000.00

Projected Total Cost: \$ 1,150,000.00

On an Attached Sheet Please Address the Following:

- 1.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service, whether the service is an extension of a presently offered service, or whether the service is a new service).
- 2.) Whether the proposal will include the addition of any new beds.
- 3.) Whether the proposal will involve the conversion of beds.
- 4.) Whether the assets and stock (if any) will be acquired.

Part V: Certification of Information

Current Authority Signature(s):

The information contained in this notification is true and correct to the best of my knowledge and belief.

Owner(s):

[Signature]

DEREK PIERCE OF HEADLINE MANAGEMENT PARTAKAS, LLC AS RECEIVER FOR OPELIKA ALF, LLC

Operator(s):

AFFINITY LIVING GROUP, LLC

[Signature] Manager

Title/Date:

MANAGER

SWORN to and subscribed before me, this 23 day of January, 2018.

(Seal)



Erika Zelaya
Notary Public

My Commission Expires: 06/19/2021

Acquiring Authority Signature(s):

I agree to be responsible for reporting of all services provided during the current annual reporting period, as specified in ALA. ADMIN. CODE r. 410-1-3-.12. The information contained in this notification is true and correct to the best of my knowledge and belief.

Purchaser(s): OPELIKA RETIREMENT INVESTORS, LLC RAE Opek, MGR

Operator(s): OPELIKA SENIOR SERVICES, LLC RAE Opek, MGR

Title/Date: MANAGER 1/29/18

SWORN to and subscribed before me, this _____ day of _____, _____.

(Seal)

Notary Public

My Commission Expires: _____

Author: Alva M. Lambert
Statutory Authority: § 22-21-271(c), Code of Alabama, 1975.
History: New Rule

SWORN to and subscribed before me, this 17TH day of JANUARY, 2018.

(Seal)



Richard B Honeycutt
Notary Public

My Commission Expires: 04/22/2019

Acquiring Authority Signature(s)

I agree to be responsible for reporting of all services provided during the current annual reporting period, as specified in ALA. ADMIN. CODE r. 410-1-3-.12. The information contained in this notification is true and correct to the best of my knowledge and belief.

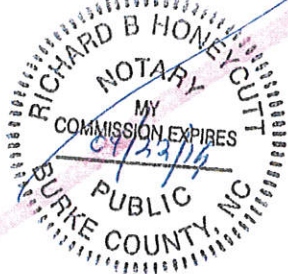
Purchaser(s): _____

Operator(s): AFFINITY LIVING GROUP, LLC By: [Signature]

Title/Date: MANAGER

SWORN to and subscribed before me, this 17TH day of JANUARY, 2018.

(Seal)



Richard B Honeycutt
Notary Public

My Commission Expires: 04/22/2019

Author: Alva M. Lambert
Statutory Authority: § 22-21-271(c), Code of Alabama, 1975.
History: New Rule

**Change of Ownership
Manor of Opelika
Opelika, Alabama
36 SCALF Beds
(Additional Information)**

1. The services to be offered by the proposal (the applicant will state whether he has previously offered the service, whether the service is an extension of a presently offered service, or whether the service is a new service).

The services offered at the facility will be a continuation of the currently offered services at the Manor of Opelika facility.

2. Whether the proposal will include the addition of any new beds.

No new beds are proposed at this time.

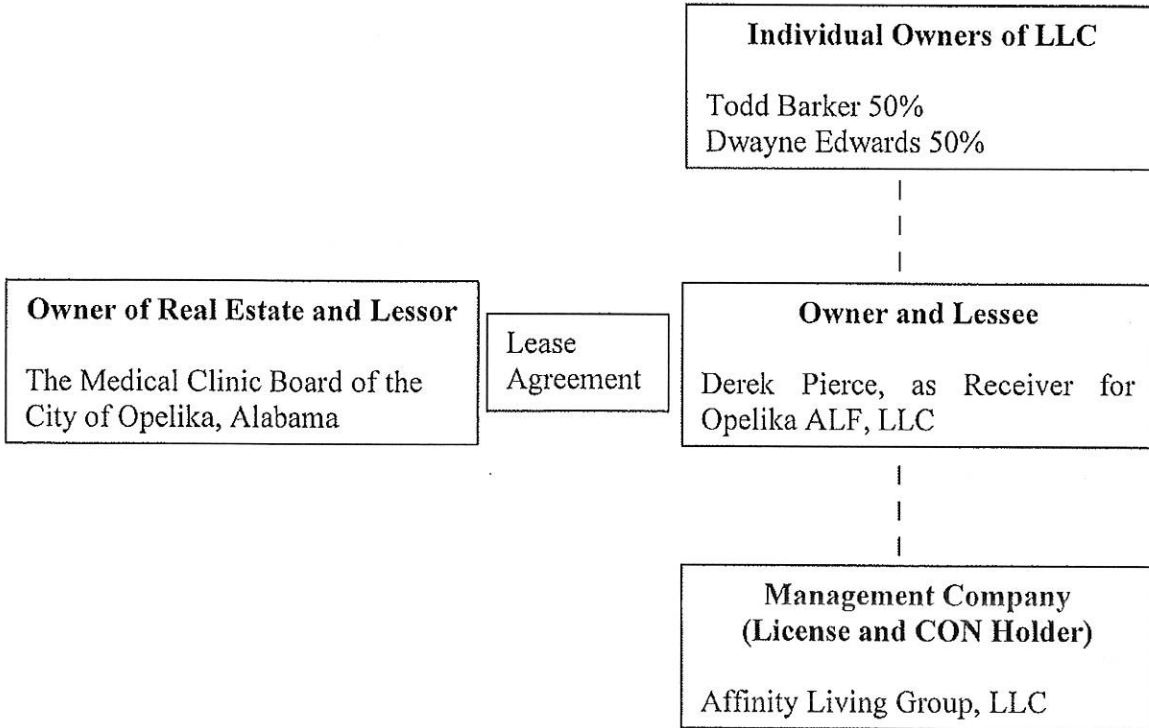
3. Whether the proposal will involve the conversion of beds.

The proposal does not include the conversion of any new beds.

4. Whether the assets and stock (if any) will be acquired.

There is a signed Asset Purchase Agreement between Opelika Retirement Investors, LLC (purchaser) and Opelika ALF, LLC (seller) dated December 15, 2017.

PRE-CHANGE ORGANIZATIONAL DIAGRAM
OPELIKA ALF, LLC d/b/a MANOR HOUSE OF OPELIKA



Governing Authority
Opelika Senior Services, LLC
The Harbor at Opelika

Barry Ray
Co-Founder
President

Bryan Cook
Co-Founder
Chief Operating
Officer

Chris Terry
Vice President
of Operations

**Executive
Director
The Harbor at
Opelika**

**Janice
Patton**
Director of Sales
and Marketing

**Melissa
Boatright**
Director of
Resident Care

**Director of
Sales and
Marketing**

**Business
Office
Manager**

**Food Services
Director**

**Maintenance
Director**

**Activities
Director**

**Resident
Services
Director**

**Gary
Sulzbach**
Dir. Physical
Plant

Renita Carnes
Director/Corp
Operations/Corp
Training Coord.

**Sales and
Marketing
Assistant**

Receptionist

Cooks

**Maintenance
Assistant**

**Activities
Assistant**

**ALF
Coordinator**

**PCH
Coordinator**

Dietary Aides

Caregivers

Caregivers

Alabama

Certificate # 17658

STATE BOARD OF HEALTH

This is to certify that a license is hereby granted by the State Board of Health to
AFFINITY LIVING GROUP, LLC
to operate

MANOR HOUSE OF OPELIKA

as an

ASSISTED LIVING FACILITY (SPECIALTY CARE)

This license is valid for the following location

1001 FOX RUN PARKWAY • OPELIKA, AL 36801



Licensed Beds: 36

P4103

Facility Identification

2018

Scott Harris, MD

Scott Harris, M.D.
Acting State Health Officer

This License shall expire December 31, 2018.